
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): September 18, 2018

DIAMONDBACK ENERGY, INC.

(Exact Name of Registrant as Specified in Charter)

45-4502447

Delaware

001-35700

(I.R.S. Employer

(State or other jurisdiction of incorporation)

(Commission File Number)

Identification Number)

500 West Texas

Suite 1200

Midland, Texas

(Address of principal
executive offices)

79701

(Zip code)

(432) 221-7400

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On September 18, 2018, Diamondback Energy, Inc. (“Diamondback”) and certain subsidiary guarantors entered into a Purchase Agreement (the “Purchase Agreement”) with Merrill Lynch, Pierce, Fenner & Smith Incorporated and Goldman Sachs & Co. LLC, as representatives of the several initial purchasers named therein (the “Initial Purchasers”), in connection with Diamondback’s private placement of senior notes. The Purchase Agreement provides for, among other things, the issuance and sale by Diamondback of \$750,000,000 in aggregate principal amount of 4.750% Senior Notes due 2024 (the “New Notes”) to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to certain non-U.S. persons in accordance with Regulation S under the Securities Act (the “New Notes Offering”). The New Notes will be issued as additional securities under an existing indenture (the “Indenture”), dated October 28, 2016, among Diamondback, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as the trustee (the “Trustee”). Diamondback previously issued an aggregate of \$500,000,000 of 4.750% Senior Notes due 2024 under the Indenture in a private placement completed on October 28, 2016, all of which were subsequently exchanged for substantially identical notes in the same aggregate principal amount (the “Existing Notes”).

Diamondback estimates that its net proceeds from the New Notes Offering will be approximately \$739.7 million, after deducting the Initial Purchasers’ discounts and estimated offering expenses, but excluding accrued interest to the date of issuance of the New Notes. Diamondback intends to use the net proceeds from the New Notes Offering to repay the outstanding borrowings under its revolving credit facility and for general corporate purposes, which may include a portion of the cash consideration for a pending acquisition of assets from Ajax Resources, LLC. As of September 17, 2018, Diamondback had \$317.5 million of borrowings outstanding and \$682.5 million of available borrowing capacity under its revolving credit facility. The New Notes Offering is expected to close on September 25, 2018.

Diamondback and the subsidiary guarantors of the New Notes have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Initial Purchasers may be required to make because of any of such liabilities. Under the Purchase Agreement, Diamondback also agreed to a 30-day lock-up with respect to, among other things, an offer, sale or other disposition of its debt securities, subject to certain exceptions.

Certain of the Initial Purchasers and their affiliates have, from time to time, performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for Diamondback and its affiliates in the ordinary course of business for which they have received and would receive customary compensation. In particular, an affiliate of Wells Fargo Securities, LLC serves as the administrative agent and the lead arranger under credit agreements with Diamondback and Viper Energy Partners LP, a publicly traded subsidiary of Diamondback, and is the trustee under the indentures governing Diamondback’s 5.375% Senior Notes due 2025 and the Existing Notes, and certain of the Initial Purchasers or their respective affiliates are lenders under these facilities. In connection with Diamondback’s repayment of its outstanding borrowings under its revolving credit facility, an affiliate of Wells Fargo Securities, LLC and certain other Initial Purchasers or their respective affiliates that are lenders under Diamondback’s revolving credit facility will receive a portion of the net proceeds from the New Notes Offering. ZB, N.A. dba Amegy Bank, a lender under Diamondback’s revolving credit facility, has acted as a financial advisor to Diamondback in connection with the New Notes Offering and not as an Initial Purchaser, and it will receive a fee from Diamondback in connection therewith.

The preceding summary of the Purchase Agreement is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibits.

Exhibit Number	Description
10.1	Purchase Agreement, dated September 18, 2018, by and among Diamondback Energy, Inc., the subsidiary guarantors party thereto, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Goldman Sachs & Co. LLC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DIAMONDBACK ENERGY, INC.

Date: September 18, 2018

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

Title: Chief Financial Officer, Executive Vice President and
Assistant Secretary

\$750,000,000
DIAMONDBACK ENERGY, INC.
4.750% Senior Notes due 2024
PURCHASE AGREEMENT

September 18, 2018

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Goldman Sachs & Co. LLC
As Representatives of the several Purchasers named in Schedule A

c/o Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Bryant Park
New York, New York 10036

c/o Goldman Sachs & Co. LLC
200 West Street
New York, New York 10282

Dear Sirs:

Introductory. Diamondback Energy, Inc., a Delaware corporation (the “**Company**”), agrees with the several initial purchasers named in Schedule A hereto (the “**Purchasers**”), for whom you are acting as representatives (the “**Representatives**”), subject to the terms and conditions stated herein, to issue and sell to the several Purchasers U.S.\$750,000,000 aggregate principal amount of its 4.750% Senior Notes due 2024 (the “**Notes**”) to be issued under the indenture dated as of October 28, 2016 (the “**Indenture**”), among the Company, the Guarantors and Wells Fargo Bank, National Association, as trustee (the “**Trustee**”). The Notes will be unconditionally guaranteed (the “**Guarantee**” and, together with the Notes, the “**Offered Securities**”) as to the payment of principal and interest by each subsidiary listed on Schedule B attached hereto (the “**Guarantors**”). The Notes constitute “Additional Notes” (as such term is defined in in the Indenture) and will be issued pursuant to and in compliance with the Indenture. The Issuers have previously issued \$500,000,000 aggregate principal amount of 4.750% Senior Notes due 2024 (the “**Initial Notes**”) under the Indenture, all of which were subsequently exchanged for substantially identical notes in the same aggregate principal amount that were registered under the Securities Act of 1933, as amended (the “**Securities Act**”). The Notes and the Initial Notes will be treated as a single series of debt securities for all purposes under the Indenture and the Notes will have terms identical to the Initial Notes, other than the issue date and the issue price. The Offered Securities will be entitled to the registration rights described below.

The holders of the Offered Securities will be entitled to the benefits of a registration rights agreement to be dated as of the Closing Date among the Company, the Guarantors and the Purchasers (the “**Registration Rights Agreement**”), pursuant to which the Company and the Guarantors will agree to file with the United States Securities and Exchange Commission (the “**Commission**”) (i) a registration statement (the “**Exchange Offer Registration Statement**”) under the Securities Act relating to another series of debt securities of the Company and the guarantee of the Guarantors under the Indenture, each respectively with terms substantially identical to the Notes (the “**Exchange Notes**”) and the Guarantee (the “**Exchange Guarantee**”) to be offered in exchange for the Offered Securities (the “**Exchange Offer**”), and (ii) to the extent required by the Registration Rights Agreement, a shelf registration statement (the “**Shelf Registration Statement**”) pursuant to Rule 415 of the Securities Act relating to the resale of the Offered Securities. The Exchange Notes and the Exchange Guarantee are herein collectively referred to as the “**Exchange Securities**.”

Each of the Company and the Guarantors hereby jointly and severally agrees with the several Purchasers as follows:

1. *Representations and Warranties of the Company and the Guarantors.* Each of the Company and the Guarantors jointly and severally represent and warrant to, and agree with, the several Purchasers that:

(a) *Offering Memorandum; Certain Defined Terms.* The Company has prepared a Preliminary Offering Memorandum and will prepare a Final Offering Memorandum.

For purposes of this Agreement:

“**Applicable Time**” means 3:20 p.m. (New York City time) on September 18, 2018.

“**Closing Date**” has the meaning set forth in Section 2 hereof.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Final Offering Memorandum**” means the final offering memorandum relating to the Offered Securities to be offered by the Company that discloses the offering price and other final terms of the Offered Securities and is dated as of the date of this Agreement (even if finalized and issued subsequent to the date of this Agreement).

“**Free Writing Communication**” means a written communication (as such term is defined in Rule 405) that constitutes an offer to sell or a solicitation of an offer to buy the Offered Securities and is made by means other than the Preliminary Offering Memorandum or the Final Offering Memorandum.

“**General Disclosure Package**” means the Preliminary Offering Memorandum together with any Issuer Free Writing Communication existing at the Applicable Time and the information in which is intended for general distribution to prospective investors, as evidenced by its being specified in Schedule C hereto.

“**Issuer Free Writing Communication**” means a Free Writing Communication prepared by or on behalf of the Company, used or referred to by the Company or containing a description of the final terms of the Offered Securities or of their offering, in the form retained in the Company’s records.

“**Preliminary Offering Memorandum**” means the preliminary offering memorandum, dated September 18, 2018, relating to the Offered Securities to be offered by the Company.

“**Rules and Regulations**” means the rules and regulations of the Commission.

“**Securities Laws**” means, collectively, the Sarbanes-Oxley Act of 2002 (“**Sarbanes-Oxley**”), the Securities Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of “issuers” (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board (the “**PCAOB**”) and, as applicable, the rules of the NASDAQ Global Select Market (“**Exchange Rules**”).

“**Supplemental Marketing Material**” means any Issuer Free Writing Communication other than any Issuer Free Writing Communication specified in Schedule C hereto.

Unless otherwise specified, a reference to a “rule” is to the indicated rule under the Securities Act.

(b) *Disclosure.* As of the date of this Agreement, the Final Offering Memorandum does not, and as of the Closing Date, the Final Offering Memorandum will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the Applicable Time, and as of the Closing Date, neither (i) the General Disclosure Package, nor (ii) any individual Supplemental Marketing Material, when considered together with the General Disclosure Package, included, or will include, any untrue statement of a material fact or omitted, or will omit, to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding two sentences do not apply to statements in or omissions from the Preliminary Offering Memorandum, the Final Offering Memorandum, the General Disclosure Package or any Supplemental Marketing Material based upon written information furnished to the Company by any Purchaser

through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described as such in Section 7(b) hereof.

(c) *Good Standing of the Company.* The Company has been duly incorporated and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own and/or lease its properties and conduct its business as described in the General Disclosure Package and the Final Offering Memorandum; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to so qualify or to be in good standing in such other jurisdictions would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole (“**Material Adverse Effect**”).

(d) *Guarantors.* Each Guarantor has been duly formed and is existing and in good standing under the laws of the jurisdiction of its organization with power and authority (limited liability company and other) to own and/or lease its properties and conduct its business as described in the General Disclosure Package and the Final Offering Memorandum; and each Guarantor is duly qualified to do business as a foreign limited liability company, in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to so qualify or be in good standing in such other jurisdictions would not result in a Material Adverse Effect; all of the limited liability company interests in each Guarantor have been duly authorized and validly issued in accordance with the limited liability company agreement of such Guarantor and are fully paid (to the extent required under such subsidiary’s limited liability company agreement) and non-assessable (except as such non-assessability may be affected by Sections 18-607 and 18-804 of the Delaware Limited Liability Company Act) and are owned directly or indirectly through subsidiaries by the Company; and, except as otherwise disclosed in the General Disclosure Package and the Final Offering Memorandum with respect to the pledge thereof in connection with the Company’s revolving credit facility, the equity interests in each Guarantor are owned by the Company, directly or through subsidiaries, free from liens, encumbrances and defects.

(e) *Indenture.* The Indenture has been, and any supplement to the Indenture with respect to the Offered Securities at the Closing Date will have been, duly authorized, executed and delivered by each of the Company, the Guarantors and the Trustee. The Indenture constitutes, and any supplement to the Indenture with respect to the Offered Securities, assuming due authorization, execution and delivery thereof by the Trustee, will constitute, the valid and legally binding obligations of the Company and the Guarantors, enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or other similar laws of general applicability relating to or affecting the rights and remedies of creditors or by general equitable principles and except as rights to indemnification and contribution may be limited by applicable law.

(f) *The Notes and the Guarantees.* On the Closing Date, the Notes to be purchased by the Purchasers from the Company (i) will be in the form contemplated by the Indenture, (ii) will have been duly authorized by the Company for issuance and sale pursuant to this Agreement and the Indenture, (iii) will have been duly executed by the Company, (iv) when authenticated by the Trustee in the manner provided for in the Indenture on the Closing Date and delivered against payment of the purchase price therefor, will have been duly authenticated, issued, executed and delivered and will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or other similar laws of general applicability relating to or affecting the rights and remedies of creditors or by general equitable principles and except as rights to indemnification and contribution may be limited by applicable law, and (v) will be entitled to the benefits of the Indenture. On the Closing Date, the Guarantees of the Notes will be in the respective forms contemplated by the Indenture and will have been duly authorized by the Guarantors for issuance pursuant to this Agreement and the Indenture. When issued by each of the Guarantors, the Guarantees of the Notes will have been duly executed and delivered by each of the Guarantors at the Closing Date and, when the Notes have been authenticated in the manner provided for in the Indenture and issued and delivered against payment of the purchase price therefor, the Guarantees will constitute valid and legally binding agreements of the Guarantors, and will be entitled to the benefits provided by the Indenture.

(g) *Trust Indenture Act.* The Indenture conforms, and any supplement to the Indenture with respect to the Offered Securities will conform, in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and the Rules and Regulations applicable to an indenture which is qualified thereunder.

- (h) *No Finder's Fee.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any of the Guarantors or any Purchaser for a brokerage commission, finder's fee or other like payment in connection with this offering.
- (i) *Registration Rights Agreement.* The Registration Rights Agreement will have been duly authorized by the Company and the Guarantors on the Closing Date; and, when the Offered Securities are delivered and paid for pursuant to this Agreement on the Closing Date, the Registration Rights Agreement will have been duly executed and delivered by the Company and each of the Guarantors and will be the valid and legally binding obligations of the Company and the Guarantors, enforceable against each of the Company and the Guarantors in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or other similar laws of general applicability relating to or affecting the rights and remedies of creditors or by general equitable principles and except as rights to indemnification and contribution may be limited by applicable law.
- (j) *Exchange Securities.* On the Closing Date, the Exchange Notes will have been duly and validly authorized for issuance by the Company, and when issued and authenticated in accordance with the terms of the Indenture, the Registration Rights Agreement and the Exchange Offer, will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or conveyance or other similar laws of general applicability relating to or affecting the rights and remedies of creditors or by general equitable principles and except as rights to indemnification and contribution may be limited by applicable law, and will be entitled to the benefits of the Indenture. When issued by each Guarantor, the Exchange Guarantees will be in the respective forms contemplated by the Indenture and, on the Closing Date, will have been duly authorized by such Guarantors for issuance pursuant to the Indenture. When the Exchange Notes have been authenticated in the manner provided for in the Indenture and issued and delivered in accordance with the terms of the Indenture, the Registration Rights Agreement and the Exchange Offer, the Exchange Guarantees will constitute valid and legally binding agreements of the Guarantors, and will be entitled to the benefits of the Indenture.
- (k) *Accurate Descriptions.* The Indenture conforms, and any supplement to the Indenture with respect to the Offered Securities, this Agreement, the Offered Securities, the Exchange Securities and the Registration Rights Agreement will conform, in all material respects to the respective statements relating thereto contained in the General Disclosure Package and the Final Offering Memorandum.
- (l) *No Registration Rights.* Except as pursuant to the Registration Rights Agreement or as disclosed in the General Disclosure Package and the Final Offering Memorandum, there are no contracts, agreements or understandings between the Company or the Guarantors and any person granting such person the right to require the Company or the Guarantors to file a registration statement under the Securities Act with respect to any debt securities of the Company or the Guarantors owned or to be owned by such person or to require the Company or the Guarantors to include such securities in the securities registered pursuant to the Exchange Offer Registration Statement or the Shelf Registration Statement.
- (m) *Absence of Further Requirements.* No consent, approval, authorization or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required to be obtained or made by the Company or the Guarantors for the consummation of the transactions contemplated by this Agreement, the Indenture or the Registration Rights Agreement in connection with the offering, issuance and sale of the Notes by the Company and the issuance of the Guarantees by the Guarantors except for such as have been obtained, or made and such as may be required under state securities laws, except for the order of the Commission declaring effective the Exchange Offer Registration Statement or, if required, the Shelf Registration Statement.
- (n) [Reserved.]
- (o) *Title to Property.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, the Company and the Guarantors have (i) good and defensible title to all of the interests in oil and gas properties underlying the Company's estimates of its net proved reserves contained in the General Disclosure Package and the Final Offering Memorandum and (ii) good and marketable title to all other real and personal property reflected in the General Disclosure Package and Final Offering Memorandum as assets owned by them, in each case free and clear of all liens, encumbrances and defects except such as (x) are described in the General Disclosure Package and Final Offering Memorandum with respect to the Company's revolving credit facility, (y)

are liens and encumbrances under operating agreements, unitization and pooling agreements, production sales contracts, farmout agreements and other oil and gas exploration, participation and production agreements, in each case that secure payment of amounts not yet due and payable for the performance of other unmatured obligations and are of a scope and nature customary in the oil and gas industry or arise in connection with drilling and production operations, or (z) do not materially affect the value of the properties of the Company and the Guarantors and do not interfere in any material respect with the use made or proposed to be made of such properties by the Company or the Guarantors; any other real property and buildings the Company and the Guarantors held under valid, subsisting and enforceable leases, with such exceptions as are not material and do not interfere in any material respect with the use made and proposed to be made of such property and buildings by the Company or the Guarantors; and the working interests derived from oil, gas and mineral leases or mineral interests that constitute a portion of the real property held or leased by the Company and the Guarantors, reflect in all material respects the rights of the Company and the Guarantors to explore, develop or produce hydrocarbons from such real property in the manner contemplated by the General Disclosure Package and the Final Offering Memorandum, and the care taken by the Company and the Guarantors with respect to acquiring or otherwise procuring such leases or other property interests was generally consistent with standard industry practices in the areas in which the Company and the Guarantors operate for acquiring or procuring leases and interests therein to explore, develop or produce hydrocarbons. With respect to interests in oil and gas properties obtained by or on behalf of the Company and the Guarantors that have not yet been drilled or included in a unit for drilling, the Company and the Guarantors have carried out such title investigations in accordance with the reasonable practice in the oil and gas industry in the areas in which the Company and the Guarantors operate.

(p) *Rights-of-Way.* The Company and the Guarantors have such consents, easements, rights-of-way or licenses from any person (collectively, “**rights-of-way**”) as are necessary to enable the Company to conduct its business in the manner described in the General Disclosure Package and the Final Offering Memorandum, subject to qualifications as may be set forth in the General Disclosure Package and the Final Offering Memorandum, except where failure to have such rights-of way would not have, individually or in the aggregate, a Material Adverse Effect.

(q) *Reserve Engineers.* Ryder Scott Company, L.P., a reserve engineer that prepared reserve reports on estimated net proved oil and natural gas reserves held by the Company as of December 31, 2017, December 31, 2016 and December 31, 2015 was, as of the date of preparation of such reserve reports, and is, as of the date hereof, an independent petroleum engineer with respect to the Company.

(r) *Reserve Report Information.* The information contained in the General Disclosure Package and the Final Offering Memorandum regarding estimated proved reserves is based upon the reserve reports prepared by Ryder Scott Company, L.P. The information provided to Ryder Scott Company, L.P. by the Company, including, without limitation, information as to: production, costs of operation and development, current prices for production, agreements relating to current and future operations and sales of production, was true and correct in all material respects on the dates that such reports were made. Such information was provided to Ryder Scott Company, L.P. in accordance with all customary industry practices.

(s) *Reserve Reports.* The reserve reports prepared by Ryder Scott Company, L.P. setting forth the estimated proved reserves attributed to the oil and gas properties of the Company accurately reflect in all material respects the ownership interests of the Company in the properties therein. Other than normal production of reserves, intervening market commodity price fluctuations, fluctuations in demand for such products, adverse weather conditions, unavailability or increased costs of rigs, equipment, supplies or personnel, the timing of third party operations and other facts, in each case in the ordinary course of business, and except as disclosed in the General Disclosure Package and the Final Offering Memorandum, the Company is not aware of any facts or circumstances that would result in a material adverse change in the aggregate net reserves, or the present value of future net cash flows therefrom, as described in the General Disclosure Package, the Final Offering Memorandum and the reserve reports; and estimates of such reserves and present values as described in the General Disclosure Package and the Final Offering Memorandum and reflected in the reserve reports comply in all material respects with the applicable requirements of Regulation S-X and Subpart 1200 of Regulation S-K under the Securities Act.

(t) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of the Indenture, any supplement to the Indenture with respect to the Offered Securities, this Agreement and the Registration Rights Agreement and the issuance and sale of the Offered Securities and compliance with the terms and provisions thereof did not and will not, as applicable, result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or the Guarantors

pursuant to, (i) the charter or by-laws or similar organizational documents of the Company and the Guarantors, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or the Guarantors or any of their properties, or (iii) any agreement or instrument to which either the Company or the Guarantors is a party or by which the Company or the Guarantors is bound or to which any of the properties of the Company or the Guarantors is subject, except in the case of clauses (ii) and (iii), for any breaches, violations, defaults, liens, charges or encumbrances, which, individually or in the aggregate, would not result in a Material Adverse Effect; a “**Debt Repayment Triggering Event**” means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or the Guarantors.

(u) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of the Guarantors is in violation of its charter or by-laws or similar organizational documents, as applicable, or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect.

(v) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by each of the Company and the Guarantors.

(w) *Possession of Licenses and Permits.* The Company and the Guarantors possess all adequate certificates, authorizations, franchises, licenses and permits issued by appropriate federal, state or local regulatory bodies (collectively, “**Licenses**”) necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package and the Final Offering Memorandum to be conducted by them, except where the failure to have obtained the same would not result in a Material Adverse Effect. The Company and each of the Guarantors are in compliance with the terms and conditions of all such Licenses, except where the failure to so comply would not individually or in the aggregate, result in a Material Adverse Effect, and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of the Guarantors would, individually or in the aggregate, result in a Material Adverse Effect.

(x) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of the Guarantors exists or, to the knowledge of the Company or any Guarantor, is imminent that would result in a Material Adverse Effect.

(y) *Possession of Intellectual Property.* The Company and the Guarantors own, possess or can acquire on reasonable terms, adequate trademarks, trade names and other rights to inventions, know-how, patents, copyrights, confidential information and other intellectual property (collectively, “**intellectual property rights**”) necessary to conduct the business now operated by them, or presently employed by them, and have not received any notice of infringement of or conflict with asserted rights of others with respect to any intellectual property rights that, if determined adversely to the Company or any of the Guarantors, would, individually or in the aggregate, result in a Material Adverse Effect.

(z) *Environmental Laws.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, (a)(i) none of the Company nor any of the Guarantors is in violation of, and does not have any liability under, any federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances (as defined below), to the protection or restoration of the environment or natural resources, to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, “**Environmental Laws**”) that would, individually or in the aggregate, have a Material Adverse Effect, (ii) to the knowledge of the Company, neither the Company nor the Guarantors own, occupy, operate or use any real property contaminated with Hazardous Substances, (iii) neither the Company nor the Guarantors is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (iv) to the knowledge of the Company or any Guarantor, neither the Company nor the Guarantors is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site, (v) neither the Company nor the Guarantors is subject to any pending, or to the Company’s knowledge threatened, claim by any governmental agency or governmental body or person arising under Environmental Laws or relating to Hazardous Substances, and (vi) the

Company and the Guarantors have received and are in compliance with all, and have no liability under any, permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their business, except in each case covered by clauses (i) - (vi) such as would not, individually or in the aggregate, result in a Material Adverse Effect; (b) to the knowledge of the Company and each of the Guarantors, there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would result in a Material Adverse Effect; and (c) in the ordinary course of its business, the Company and the Guarantors periodically evaluate the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations and financial condition of the Company and, on the basis of such evaluation, the Company and the Guarantors have reasonably concluded that such Environmental Laws will not, individually or in the aggregate, result in a Material Adverse Effect. For purposes of this subsection “**Hazardous Substances**” means (A) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and mold, and (B) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under Environmental Laws.

(aa) *Cybersecurity.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, (a)(i) there has been no security breach or incident, unauthorized access or disclosure, or other compromise of or relating to any of the Company’s and the Guarantors’ information technology and computer systems, networks, hardware, software, data and data-bases (including the data and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and the Guarantors, and any such data processed or stored by third parties on behalf of the Company or the Guarantors), equipment or technology (collectively, “**IT Systems and Data**”) and (ii) the Company and the Guarantors have not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any security breach or incident, unauthorized access or disclosure or other compromise to their IT Systems and Data; (b) the Company and the Guarantors are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification; and (c) the Company and the Guarantors have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards.

(ab) *Accurate Disclosure.* The statements in the General Disclosure Package and the Final Offering Memorandum under the headings “Description of Other Indebtedness,” “Description of Notes” and “Material U.S. Federal Income Tax Considerations” insofar as such statements summarize legal matters, agreements, documents or legal or regulatory proceedings discussed therein, are accurate and fair summaries, in all material respects, of such legal matters, agreements, documents or legal or regulatory proceedings and present the information required to be shown.

(ac) *Absence of Manipulation.* Neither the Company nor the Guarantors has taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company or the Guarantors.

(ad) *Statistical and Market-Related Data.* Any third-party statistical and market-related data included or incorporated by reference in the Preliminary Offering Memorandum, the Final Offering Memorandum, or any Issuer Free Writing Communication are based on or derived from sources that the Company believes to be reliable and accurate.

(ae) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* The Company, its subsidiaries and the Company’s Board of Directors (the “**Board**”) is in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, “**Internal Controls**”) that comply with the applicable Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles (“**GAAP**”) and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accounting for assets is compared with the existing assets

at reasonable intervals and appropriate action is taken with respect to any differences. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the “**Audit Committee**”) of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls, any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would result in a Material Adverse Effect.

(af) *Disclosure Controls.* The Company and its subsidiaries maintain an effective system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management, as appropriate to allow timely decisions regarding required disclosure. The Company and its subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

(ag) *Litigation.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, there are no pending actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) against or affecting the Company or any of the Guarantors, or any of their respective properties that, if determined adversely to the Company or any of the Guarantors, would individually or in the aggregate, result in a Material Adverse Effect, or would materially and adversely affect the ability of the Company or the Guarantors to perform their obligations under the Indenture, this Agreement, or the Registration Rights Agreement or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are, to the Company’s knowledge, threatened or contemplated.

(ah) *Financial Statements of the Company.* The historical financial statements included or incorporated by reference in the General Disclosure Package and the Final Offering Memorandum present fairly the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows of the Company and its subsidiaries for the periods shown, and such financial statements have been prepared in conformity with GAAP, applied on a consistent basis; and the pro forma financial statements incorporated by reference in the General Disclosure Package have been prepared in accordance with the applicable accounting requirements of Regulation S-X under the Act, the assumptions used in preparing the pro forma financial statements incorporated by reference in the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts. Grant Thornton LLP has certified the audited financial statements of the Company included or incorporated by reference in the General Disclosure Package and the Final Offering Memorandum and is an independent registered public accounting firm with respect to the Company within the Rules and Regulations and as required by the Securities Act and the applicable rules and guidance from the PCAOB. The other financial and statistical data included in the General Disclosure Package and the Final Offering Memorandum present fairly, in all material respects, the information shown therein and such data has been compiled on a basis consistent with the financial statements presented therein and the books and records of the Company. The Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations or any “variable interest entities” within the meaning of Financial Accounting Standards Board Interpretation No. 46), not disclosed in the General Disclosure Package and the Final Offering Memorandum. There are no financial statements that are required to be included in the General Disclosure Package or the Final Offering Memorandum that are not included as required. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in each of the Preliminary Offering Memorandum, the General Disclosure Package and the Final Offering Memorandum fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ai) *Financial Statements of Energen Corporation.* The historical financial statements and related notes of Energen Corporation (“**Energen**”) and its subsidiaries required by Rule 3-05 of Regulation S-X incorporated by reference in the General Disclosure Package and the Final Offering Memorandum were audited, as described therein, by PricewaterhouseCoopers LLP.

(aj) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, since the end of the period covered by the latest audited financial statements included or incorporated by reference in the General Disclosure Package and the Final Offering Memorandum (A) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Guarantors taken as a whole, that is material and adverse, (B) there has been no dividend or distribution of any kind declared, paid or made by the Company or the Guarantors on any class of their capital stock, (C) there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company or any of the Guarantors, (D) there has been no material transaction entered into and there is no material transaction that is probable of being entered into by the Company or any of the Guarantors other than transactions in the ordinary course of business and (E) there has been no obligation, direct or contingent, that is material to the Company or any of the Guarantors, incurred by the Company or any of the Guarantors, as applicable, except obligations incurred in the ordinary course of business.

(ak) *Investment Company Act.* Neither the Company nor the Guarantors, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package and the Final Offering Memorandum, will be an “investment company” as defined in the Investment Company Act of 1940 (the “**Investment Company Act**”).

(al) *Regulations T, U, X.* None the Company or the Guarantors or any agent thereof acting on their behalf has taken, and none of them will take, any action that might cause this Agreement or the issuance or sale of the Offered Securities to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System.

(am) *Ratings.* No “nationally recognized statistical rating organization” as such term is defined for purposes of Section 3(a)(62) of the Exchange Act (i) has imposed (or has informed the Company or the Guarantors that it is considering imposing) any condition (financial or otherwise) on the Company’s or the Guarantors’ retaining any rating assigned to the Company or the Guarantors or any securities of the Company or the Guarantors or (ii) has indicated to the Company or the Guarantors that it is considering any of the actions described in Section 7(c)(ii) hereof.

(an) *Class of Securities Not Listed.* No securities of the same class (within the meaning of Rule 144A(d)(3) of the Securities Act) as the Offered Securities are listed on any national securities exchange registered under Section 6 of the Exchange Act or quoted in a U.S. automated inter-dealer quotation system.

(ao) *No Registration.* Assuming the representations and warranties in Section 3 of this Agreement are true and correct and the Purchasers comply with the offer and sale procedures set forth in this Agreement, the offer and sale of the Offered Securities in the manner contemplated by this Agreement will be exempt from the registration requirements of the Securities Act by reason of Section 4(a)(2) thereof and Regulation S thereunder; and it is not necessary to qualify the Indenture under the Trust Indenture Act.

(ap) *No General Solicitation; No Directed Selling Efforts.* None of the Company, the Guarantors, any of their respective affiliates, or any person acting on its or their behalf (other than any Purchaser or a Purchaser’s affiliates or any of their representatives, as to whom the Company and the Guarantors make no representation or warranty) (i) has, within the six-month period prior to the date hereof, offered or sold in the United States or to any U.S. person (as such terms are defined in Regulation S under the Securities Act) the Offered Securities or any security of the same class or series as the Offered Securities or (ii) has offered or will offer or sell the Offered Securities (A) in the United States by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) or (B) with respect to any such securities sold in reliance on Rule 903 of Regulation S under the Securities Act, by means of any directed selling efforts within the meaning of Rule 902(c) of Regulation S. Each of the Company, the Guarantors, their respective affiliates and any person acting on its or their behalf (other than any Purchaser or a Purchaser’s affiliates or any of their representatives, as to whom the Company and the Guarantors make no representation or warranty) have complied and will comply with the offering restrictions requirement of Regulation S. None of the Company or the Guarantors has entered and none of the Company or the Guarantors will enter into any contractual arrangement with respect to the distribution of the Offered Securities except for this Agreement.

(aq) *Tax Returns.* The Company and the Guarantors have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so

to file would not result in a Material Adverse Effect); and, except as set forth in the General Disclosure Package and the Final Offering Memorandum, the Company and the Guarantors have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith and for which an adequate reserve for accrual has been established in accordance with GAAP or as would not, individually or in the aggregate, result in a Material Adverse Effect.

(ar) *Insurance.* Except as disclosed in the General Disclosure Package and the Final Offering Memorandum, the Company and the Guarantors are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company reasonably believes are adequate for the conduct of their business. All such policies of insurance insuring the Company and the Guarantors are in full force and effect. The Company and the Guarantors are in compliance with the terms of such policies and instruments in all material respects; and there are no material claims by the Company or the Guarantors under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause. Neither the Company nor any of the Guarantors has any reason to believe that any of them will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except as disclosed in the General Disclosure Package and the Final Offering Memorandum.

(as) *Certain Relationships and Related Transactions.* No relationship, direct or indirect, exists between or among the Company or the Guarantors on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company or the Guarantors on the other hand, which is required to be described in the General Disclosure Package which is not so described therein. The Final Offering Memorandum will contain the same description of the matters set forth in the preceding sentence contained in the General Disclosure Package.

(at) *ERISA.* The minimum funding standard under Section 302 of the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (“**ERISA**”), has been satisfied by each “pension plan” (as defined in Section 3(2) of ERISA) which has been established or maintained by the Company or any of its subsidiaries, and the trust forming part of each such plan which is intended to be qualified under Section 401 of the Internal Revenue Code of 1986, as amended, is so qualified; each of the Company and its subsidiaries has fulfilled its obligations, if any, under Section 515 of ERISA; neither the Company nor any of its subsidiaries maintain or are required to contribute to a “welfare plan” (as defined in Section 3(1) of ERISA) which provides retiree or other post-employment welfare benefits or insurance coverage (other than “continuation coverage” (as defined in Section 602 of ERISA)); each pension plan and welfare plan established or maintained by the Company and/or any of its subsidiaries are in compliance with the currently applicable provisions of ERISA, except where the failure to comply would not result in a Material Adverse Effect; and neither the Company nor any of its subsidiaries have incurred or would reasonably be expected to incur any withdrawal liability under Section 4201 of ERISA, any liability under Section 4062, 4063 or 4064 of ERISA, or any other liability under Title IV of ERISA.

(au) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries, nor any director, officer or employee of the Company or any of its subsidiaries, nor, to the knowledge of the Company and each of the Guarantors, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offense under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(av) *Compliance with Anti-Money Laundering Laws.* The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the

Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), the applicable anti-money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the “**Anti-Money Laundering Laws**”), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company or any of the Guarantors, threatened.

(aw) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its subsidiaries, directors, officers or employees, nor, to the knowledge of the Company or any of the Guarantors, any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked person”), the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Swiss Secretariat of Economic Affairs, the Hong Kong Monetary Authority, the Monetary Authority of Singapore or other relevant sanctions authority (collectively, “**Sanctions**”), nor is the Company, any of its subsidiaries or any of the Guarantors located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Cuba, Iran, North Korea, Syria and Crimea (each, a “**Sanctioned Country**”); and the Company will not directly or indirectly use the proceeds of the offering of the Notes hereunder, or lend, or knowingly contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, initial purchaser, advisor, investor or otherwise) of Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in, and are not now knowingly engaged in and will not knowingly engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

2. *Purchase, Sale and Delivery of Offered Securities.* On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Purchasers, and each of the Purchasers agrees, severally and not jointly, to purchase from the Company, at a purchase price of 98.7575% of the aggregate principal amount thereof plus accrued interest from May 1, 2018 to the Closing Date (as hereinafter defined), the respective principal amount of the Offered Securities set forth opposite the names of the several Purchasers in Schedule A hereto.

The Company will deliver against payment of the purchase price the Notes to be offered and sold by the Purchasers in reliance on Regulation S (the “**Regulation S Securities**”) in the form of one or more permanent global securities in registered form without interest coupons (the “**Regulation S Global Securities**”) which will be deposited on the Closing Date with the Trustee as custodian for The Depository Trust Company (“**DTC**”) for the respective accounts of the DTC participants for Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System (“**Euroclear**”), and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and registered in the name of Cede & Co., as nominee for DTC. The Company will deliver against payment of the purchase price the Notes to be purchased by each Purchaser hereunder and to be offered and sold by each Purchaser in reliance on Rule 144A (the “**144A Securities**”) in the form of one or more permanent global securities in definitive form without interest coupons (the “**Restricted Global Securities**”) deposited with the Trustee as custodian for DTC and registered in the name of Cede & Co., as nominee for DTC. The Regulation S Global Securities and the Restricted Global Securities shall be assigned separate CUSIP numbers. The Regulation S Global Security and the Restricted Global Securities shall include the legend regarding restrictions on transfer set forth under “Transfer Restrictions” in the Final Offering Memorandum. Until the termination of the distribution compliance period (as defined in Regulation S) with respect to the offering of the Offered Securities, interests in the Regulation S Global Securities may only be held by the DTC participants for Euroclear and Clearstream, Luxembourg. Interests in any permanent global Securities will be held only in book-entry form through Euroclear, Clearstream, Luxembourg or DTC, as the case may be, except in the limited circumstances described in the Final Offering Memorandum.

Payment for the Regulation S Securities and the 144A Securities shall be made by the Purchasers in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives drawn to the order of the Representatives at the office of Latham & Watkins LLP, 811 Main Street Suite 3700, Houston, Texas 77002, at 9:00 A.M., (New York time), on September 25, 2018, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the “**Closing Date**”, against delivery to the Trustee as custodian for DTC of (i) the Regulation S Global Securities representing all of the Regulation S Securities for the respective accounts of the DTC participants for Euroclear

and Clearstream, Luxembourg and (ii) the Restricted Global Securities representing all of the 144A Securities. The Regulation S Global Securities and the Restricted Global Securities will be made available for checking at the above office of Latham & Watkins LLP, 811 Main Street Suite 3700, Houston, Texas 77002 at least 24 hours prior to the Closing Date.

3. *Representations by the Purchasers; Resale by the Purchasers.*

(a) Each Purchaser severally represents and warrants to the Company and the Guarantors that it is an “accredited investor” within the meaning of Regulation D under the Securities Act.

(b) Each Purchaser severally acknowledges that the Offered Securities have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. Each Purchaser severally represents and agrees that it has offered and sold the Offered Securities, and will offer and sell the Offered Securities (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, only in accordance with Rule 903 or Rule 144A. Accordingly, neither such Purchaser nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts with respect to the Offered Securities, and such Purchaser, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S. Each Purchaser severally agrees that, at or prior to confirmation of sale of the Offered Securities, other than a sale pursuant to Rule 144A, such Purchaser will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases the Offered Securities from it during the restricted period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the “Securities Act”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the date of the commencement of the offering and the closing date, except in either case in accordance with Regulation S (or Rule 144A if available) under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this subsection (b) have the meanings given to them by Regulation S.

(c) Each Purchaser severally agrees that it and each of its affiliates has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Securities except for any such arrangements with the other Purchasers or affiliates of the other Purchasers or with the prior written consent of the Company and the Guarantors.

(d) Each Purchaser severally agrees that it and each of its affiliates will not offer or sell the Offered Securities in the United States by means of any form of general solicitation or general advertising within the meaning of Rule 502(c), including, but not limited to (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or (ii) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising. Each Purchaser severally agrees, with respect to resales made in reliance on Rule 144A of any of the Offered Securities, to deliver either with the confirmation of such resale or otherwise prior to settlement of such resale a notice to the effect that the resale of such Offered Securities has been made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

(e) Each Purchaser severally represents and agrees that, solely in connection with the offering of the Notes, it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any of the Notes to any retail investor in the European Economic Area. For the purposes of this provision:

(i) the expression “retail investor” means a person who is one (or more) of the following: (A) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (B) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (C) not a qualified investor as defined in Directive 2003/71/EC; and

(ii) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

(f) Each of the Purchasers severally represents and agrees that:

(i) (A) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (B) it has not offered or sold and will not offer or sell the Offered Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Offered Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Company;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Offered Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Company or the Guarantors; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offered Securities in, from or otherwise involving the United Kingdom.

4. *Certain Agreements of the Company and the Guarantors.* Each of the Company and the Guarantors agrees with the several Purchasers that:

(a) *Amendments and Supplements to Offering Memorandum.* The Company and the Guarantors will promptly advise the Representatives of any proposal to amend or supplement the Preliminary Offering Memorandum or Final Offering Memorandum and will not affect such amendment or supplementation without the Representatives’ consent. If, at any time prior to the completion of the resale of the Offered Securities by the Purchasers, there occurs an event or development as a result of which any document included in the Preliminary Offering Memorandum or Final Offering Memorandum or the General Disclosure Package or any Supplemental Marketing Material, if republished immediately following such event or development, included or would include an untrue statement of a material fact or omitted or would omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any such time to amend or supplement the Preliminary Offering Memorandum or Final Offering Memorandum, the General Disclosure Package or any Supplemental Marketing Material to comply with any applicable law, the Company and the Guarantors promptly will notify the Representatives of such event and promptly will prepare and furnish, at their own expense, to the Purchasers and the dealers and to any other dealers at the request of the Representatives, an amendment or supplement which will correct such statement or omission or effect such compliance. Neither the Representatives’ consent to, nor the Purchasers’ delivery to offerees or investors of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 6.

(b) *Furnishing of Offering Memorandum.* The Company and the Guarantors will furnish to the Representatives copies of the Preliminary Offering Memorandum, each other document comprising a part of the General Disclosure Package, the Final Offering Memorandum, all amendments and supplements to such documents and each item of Supplemental Marketing Material, in each case as soon as available and in such quantities as the Representatives reasonably request. At any time when the Company is not subject to Section 13 or 15(d), and any Offered Securities remain “restricted securities” within the meaning of the Securities Act, the Company and the Guarantors will promptly furnish or cause to be furnished to the Representatives (and, upon request, to each of the other Purchasers) and, upon request of holders and prospective purchasers of the Offered Securities, to such holders and purchasers, copies of the information required to be delivered to holders and prospective purchasers of the Offered Securities pursuant to Rule 144A(d)(4) (or any successor provision thereto) in order to permit compliance with Rule 144A in connection with resales by such holders of the Offered Securities. The Company will pay the expenses of printing and distributing to the Purchasers all such documents.

(c) *Blue Sky Qualifications.* The Company and the Guarantors will cooperate with the Purchasers and counsel for the Purchasers to qualify the Offered Securities for sale and the determination of their eligibility for

investment under the state securities or blue sky laws of such jurisdictions in the United States and Canada as the Representatives reasonably designate and will continue such qualifications in effect so long as required for the resale of the Offered Securities by the Purchasers, provided that the Company will not be required to qualify as a foreign corporation or to take any action that would subject it to general service of process or taxation in any such jurisdiction where it is not presently qualified or subject to taxation.

(d) *Reporting Requirements.* For so long as the Notes remain outstanding, the Company will furnish, upon request, to the Representatives and, upon request, to each of the other Purchasers as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives and, upon request, to each of the other Purchasers (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to the Company's stockholders, the Trustee or holders of the Offered Securities and (ii) from time to time, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval system ("EDGAR"), it is not required to furnish such reports or statements to the Purchasers.

(e) *Transfer Restrictions.* During the period of one year after the Closing Date, the Company will, upon request, furnish to the Representatives, each of the other Purchasers and any holder of Offered Securities a copy of the restrictions on transfer applicable to the Offered Securities.

(f) *No Resales by Affiliates.* During the period of one year after the Closing Date, unless permitted under Rule 144 of the Securities Act, the Company will not, and will not permit any of its affiliates (as defined in Rule 144) to, resell any of the Offered Securities that have been reacquired by any of them, unless such Offered Securities are resold in a transaction registered under the Securities Act.

(g) *Investment Company.* During the period of two years after the Closing Date, neither the Company nor the Guarantors will be or become an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered under Section 8 of the Investment Company Act.

(h) *Payment of Expenses.* The Company and the Guarantors will pay all expenses incident to the performance of their respective obligations under this Agreement, the Indenture and the Registration Rights Agreement, including but not limited to (i) the fees and expenses of the Trustee and its professional advisers; (ii) all expenses in connection with the execution, issue, authentication, packaging and initial delivery of the Offered Securities and, as applicable, the Exchange Securities, the preparation and printing of this Agreement, the Registration Rights Agreement, the Offered Securities, the Indenture, the Preliminary Offering Memorandum, any other documents comprising any part of the General Disclosure Package, the Final Offering Memorandum, all amendments and supplements thereto, each item of Supplemental Marketing Material and any other document relating to the issuance, offer, sale and delivery of the Offered Securities and as applicable, the Exchange Securities; (iii) any fees and reasonable attorney's fees and expenses incurred by the Company, the Guarantors and the Purchasers in connection with qualifying or registering (or obtaining exemptions from the qualification or registration of) all or any part of the Offered Securities or the Exchange Securities for offer and sale under the state securities or blue sky laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, (iv) any fees charged by investment rating agencies for the rating of the Offered Securities or the Exchange Securities, (v) expenses incurred in distributing (including any form of electronic distribution) the Preliminary Offering Memorandum, any other documents comprising any part of the General Disclosure Package, the Final Offering Memorandum (including any amendments and supplements thereto) and any Supplemental Marketing Material to the Purchasers, and (vi) expenses incurred in preparing, printing and distributing any Free Writing Prospectuses to investors or prospective investors. The Company and Guarantors will also pay or reimburse the Purchasers (to the extent incurred by them) for costs and expenses of the Company's officers and employees and any other expenses of the Company and the Guarantors relating to investor presentations or any "road show" in connection with the offering and sale of the Offered Securities including, without limitation, any travel expenses of the Company's and the Guarantors' officers and employees, provided, however, that the Purchasers will pay 50% of the costs and expenses of any chartered flight. Except as provided in this Agreement, the Purchasers shall pay all of their own costs and expenses, including the fees and disbursement of their counsel.

(i) *Use of Proceeds.* The Company will use the net proceeds received in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and except as disclosed

in the General Disclosure Package, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Purchaser.

(j) *Absence of Manipulation.* In connection with the offering, until the Representatives shall have notified the Company and the other Purchasers of the completion of the resale of the Offered Securities, neither the Company, the Guarantors nor any of their affiliates will, either alone or with one or more other persons, bid for or purchase for any account in which it or any of its affiliates has a beneficial interest any Offered Securities or attempt to induce any person to purchase any Offered Securities; and neither it nor any of its affiliates will make bids or purchases for the purpose of creating actual, or apparent, active trading in, or of raising the price of, the Offered Securities.

(k) *Restriction on Sale of Securities.* For a period of 30 days after the date hereof, neither the Company nor the Guarantors will, directly or indirectly, take any of the following actions with respect to any United States dollar-denominated debt securities issued or guaranteed by the Company or the Guarantors and having a maturity of more than one year from the date of issue or any securities convertible into or exchangeable or exercisable for any debt securities (“**Lock-Up Securities**”): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Securities Act relating to Lock-Up Securities or publicly disclose the intention to take any such action, without the prior written consent of the Representatives, except that the Company is permitted to make (x) such filings or public disclosures with respect to the Exchange Securities and/or Offered Securities in connection with the filing of the Exchange Offer Registration Statement or the consummation of the Exchange Offer, the Shelf Registration Statement and other transactions contemplated by the Registration Rights Agreement and (y) a filing by the Company of a shelf registration statement on Form S-3, or any amendments or supplements thereto, under the Securities Act, which registration statement may include any debt and other securities, provided further, that no sales under any such registration statement shall be permitted during this 30-day period with respect to such dollar-denominated debt securities. Neither the Company nor the Guarantors will at any time directly or indirectly, take any action referred to in clauses (i) through (v) above with respect to any securities under circumstances where such offer, sale, pledge, contract or disposition would cause the exemption afforded by Section 4(a)(2) of the Securities Act or the safe harbor of Regulation S thereunder to cease to be applicable to the offer and sale of the Offered Securities.

(l) *Eligibility for Clearance.* The Company and the Guarantors will reasonably assist the Purchasers to permit the Offered Securities to be eligible for clearance and settlement through the facilities of DTC.

5. *Free Writing Communications.*

(a) *Issuer Free Writing Communications.* Each of the Company and the Guarantors represents and agrees that, unless it obtains the prior consent of the Representatives, and each Purchaser severally represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Communication.

(b) *Term Sheets.* The Company consents to the use by any Purchaser of a Free Writing Communication that (i) contains only (A) information describing the preliminary terms of the Offered Securities or their offering or (B) information that describes the final terms of the Offered Securities or their offering and that is included in or is subsequently included in the Final Offering Memorandum, including by means of a pricing term sheet in the form of Annex I to Schedule C hereto, or (ii) does not contain any material information about the Company or the Guarantors or their respective securities that was provided by or on behalf of the Company and the Guarantors, it being understood and agreed that the Company and each of the Guarantors shall not be responsible to any Purchaser for liability arising from any inaccuracy in such Free Writing Communications referred to in clause (i) or (ii) (other than the pricing term sheet attached as Annex I to Schedule C hereto) as compared with the information in the Preliminary Offering Memorandum, the Final Offering Memorandum or the General Disclosure Package and any such inaccurate Free Writing Communication shall not be an Issuer Free Writing Communication for purposes of this Agreement.

6. *Conditions of the Obligations of the Purchasers.* The obligations of the several Purchasers to purchase and pay for the Offered Securities will be subject to the accuracy of the representations and warranties of each of the Company and the Guarantors herein on the date hereof and on the Closing Date (as though made on the Closing Date), to the accuracy of the

statements of officers of each of the Company and the Guarantors made pursuant to the provisions hereof, to the performance by each of the Company and the Guarantors of their respective obligations hereunder and to the following additional conditions precedent:

(a) *Grant Thornton Comfort Letter.* The Representatives shall have received a letter, dated respectively, the date hereof and the Closing Date, of Grant Thornton LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws, in form and substance satisfactory to the Purchasers concerning the financial information with respect to the Company set forth in the General Disclosure Package and the Final Offering Memorandum.

(b) *PricewaterhouseCoopers LLP Comfort Letter.* The Representatives shall have received a letter, dated respectively, the date hereof and the Closing Date, of PricewaterhouseCoopers LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws, in form and substance satisfactory to the Purchasers concerning the financial information with respect to Energen set forth in the General Disclosure Package and the Final Offering Memorandum.

(c) *Ryder Scott Comfort Letters for the Company.* The Representatives shall have received letters, dated, respectively, the date hereof and the Closing Date, of Ryder Scott Company, L.P. (i) confirming that as of the date of its reserve reports for the years ended December 31, 2017, December 31, 2016 and December 31, 2015, it was an independent reserve engineer for the Company, and that, as of the date of such letter, no information had come to its attention that could reasonably have been expected to cause it to withdraw its reserve reports and (ii) otherwise in form and substance acceptable to the Representatives.

(d) *Ryder Scott Comfort Letters for Energen.* The Representatives shall have received letters, dated, respectively, the date hereof and the Closing Date, of Ryder Scott Company, L.P. (i) confirming that as of the date of its reserve report for the years ended December 31, 2017 and December 31, 2016, it was an independent reserve engineer for Energen, and that, as of the date of such letter, no information had come to its attention that could reasonably have been expected to cause it to withdraw its reserve reports and (ii) otherwise in form and substance acceptable to the Representatives.

(e) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Guarantors, taken as a whole, which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to proceed with the offer, sale or delivery of the Offered Securities or to enforce contracts for the sale of the Offered Securities; (ii) any downgrading in the rating of any debt securities or preferred stock of the Company or the Guarantors by any “nationally recognized statistical rating organization” (as defined in Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities or preferred stock of the Company or the Guarantors (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating) or any announcement that the Company or the Guarantors have been placed on negative outlook; (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical or inadvisable to proceed with the offer, sale or delivery of the Offered Securities or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on the New York Stock Exchange or the NASDAQ Global Select Market, or any setting of minimum or maximum prices for trading on such exchange; (v) any suspension of trading of any securities of the Company or the Guarantors on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to proceed with the offer, sale or delivery of the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(f) *Opinion of Counsel for the Company and the Guarantors.* The Representatives shall have received an opinion, dated the Closing Date, of Akin Gump Strauss Hauer & Feld LLP, counsel for the Company and the Guarantors, as to the matters described in Schedule D hereto.

(g) *Opinion of General Counsel for the Company.* The Representatives shall have received an opinion, dated the Closing Date, of Randall J. Holder, General Counsel for the Company and the Guarantors, as to the matters described in Schedule E hereto.

(h) *Opinion of Counsel for the Purchasers.* The Representatives shall have received from Latham & Watkins LLP, counsel for the Purchasers, such opinion or opinions, dated the Closing Date, with respect to such matters as the Representatives may require, and the Company and the Guarantors shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(i) *Officers' Certificate.* The Representatives shall have received a certificate, dated the Closing Date, of an executive officer of the Company and the Guarantors and a principal financial or accounting officer of the Company and the Guarantors in which such officers shall state that (i) the representations and warranties of the Company and the Guarantors in this Agreement are true and correct, (ii) the Company and the Guarantors have complied with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to the Closing Date and (iii) subsequent to the date of the most recent financial statements in the General Disclosure Package there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Guarantors, taken as a whole, except as set forth in the General Disclosure Package or as described in such certificate.

(j) *Company Certificate.* The Representatives shall have received, on the date hereof and the Closing Date, a certificate of an executive officer of the Company, in form and substance reasonably acceptable to the Representatives.

(k) *DTC Eligibility.* The Notes shall be eligible for clearance and settlement through DTC.

(l) *Supplemental Indenture; Registration Rights Agreement.* The Purchasers shall have received a counterpart of any supplement to the Indenture with respect to the Offered Securities and the Registration Rights Agreement that shall have been validly executed and delivered by each of the Company and each of the Guarantors and, in the case of any supplement to the Indenture with respect to the Offered Securities, the Trustee.

The Company and the Guarantors will furnish the Purchasers with any additional opinions, certificates, letters and documents as the Representatives reasonably request and conformed copies of documents delivered pursuant to this Section 6. The Representatives may in their sole discretion waive on behalf of the Purchasers' compliance with any conditions to the obligations of the Purchasers hereunder, whether in respect of a Closing Date or otherwise.

7. *Indemnification and Contribution.*

(a) *Indemnification of the Purchasers.* The Company and the Guarantors will jointly and severally indemnify and hold harmless each Purchaser, its officers, employees, agents, partners, members, directors and its affiliates and each person, if any, who controls such Purchaser within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Securities Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Preliminary Offering Memorandum or the Final Offering Memorandum, in each case as amended or supplemented or any Issuer Free Writing Communication (including, without limitation, any Supplemental Marketing Material), any Exchange Act report, or arise out of or are based upon the omission or alleged omission of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating, preparing or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; *provided, however,* that the Company and the Guarantors will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Purchaser through the Representatives specifically for use therein,

it being understood and agreed that the only such information furnished by any Purchaser consists of the information described as such in subsection (b) below.

(b) *Indemnification of the Company and the Guarantors.* Each Purchaser will severally and not jointly indemnify and hold harmless each of the Company and Guarantors and their respective directors, officers, employees and agents and each person, if any, who controls the Company or the Guarantors within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (each, a “**Purchaser Indemnified Party**”), against any losses, claims, damages or liabilities to which such Purchaser Indemnified Party may become subject, under the Securities Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Preliminary Offering Memorandum or the Final Offering Memorandum, in each case as amended or supplemented, or any Issuer Free Writing Communication or arise out of or are based upon the omission or the alleged omission of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Purchaser through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Purchaser Indemnified Party in connection with investigating, preparing or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Purchaser Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Purchaser consists of the following information in the Preliminary Offering Memorandum and the Final Offering Memorandum furnished on behalf of each Purchaser: the second paragraph, the third sentence of the ninth paragraph, the tenth paragraph and the eleventh paragraph, in each case under the caption “Plan of Distribution;” *provided, however*, that the Purchasers shall not be liable for any losses, claims, damages or liabilities arising out of or based upon the Company’s failure to perform its obligations under Section 4(a) of this Agreement.

(c) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the indemnifying party shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all indemnified parties, and that all such fees and expenses shall be reimbursed as they are incurred. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) *Contribution.* If the indemnification provided for in this Section 7 is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantors on the one hand and the Purchasers on the other from the offering of the Offered Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Guarantors on the one hand and the Purchasers on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantors on the one hand and the Purchasers on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total discounts and commissions received by the Purchasers from the Company under this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Guarantors or the Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Purchaser shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities purchased by it were resold exceeds the amount of any damages which such Purchaser has otherwise been required to pay by reason of such untrue statement or omission or alleged untrue statement or omission. The Purchasers' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint. The Company, the Guarantors and the Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 7(d) were determined by pro rata allocation (even if the Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 7(d).

(e) The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any indemnified party at law or in equity.

8. *Default of Purchasers.* If any Purchaser or Purchasers default in their obligations to purchase Offered Securities hereunder and the aggregate principal amount of Offered Securities that such defaulting Purchaser or Purchasers agreed but failed to purchase does not exceed 10% of the total principal amount of Offered Securities that the Purchasers are obligated to purchase on the Closing Date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Purchasers, but if no such arrangements are made by the Closing Date, the non-defaulting Purchasers shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Purchasers agreed but failed to purchase on the Closing Date. If any Purchaser or Purchasers so default and the aggregate principal amount of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total principal amount of Offered Securities that the Purchasers are obligated to purchase on the Closing Date and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Purchaser or the Company, except as provided in Section 9. As used in this Agreement, the term "Purchaser" includes any person substituted for a Purchaser under this Section. Nothing herein will relieve a defaulting Purchaser from liability for its default.

9. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Company, the Guarantors or their respective officers and of the several Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Purchaser, the Company, the Guarantors or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If this Agreement is terminated pursuant to Section 8 or if for any reason the purchase of the Offered Securities by the Purchasers is not consummated, the Company and the Guarantors shall remain responsible for the expenses to be paid or reimbursed by them pursuant to Section 4 and the respective obligations of the Company, the Guarantors and the Purchasers pursuant to Section 7 shall remain in effect. If the purchase of the Offered Securities by the Purchasers is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 8 or the occurrence of any event specified in clause (iii), (iv), (vi), (vii) or (viii)

of Section 6(c), the Company and the Guarantors will reimburse the Purchasers for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 1 and all obligations under Section 4 shall remain in effect.

10. *Notices.* All communications hereunder will be in writing and, if sent to the Purchasers will be mailed, hand-delivered, telecopied or transmitted electronically and confirmed to the Purchasers, (i) c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated, 50 Rockefeller Plaza, New York, New York 10020, Attention: High Yield Legal Department or (ii) c/o Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Registration Department, or, if sent to the Company or the Guarantors, will be mailed, hand-delivered, telecopied or transmitted electronically and confirmed to it at 500 West Texas, Suite 1225, Midland, Texas 79701 Attention: Randall J. Holder; *provided, however*, that any notice to a Purchaser pursuant to Section 7 will be mailed, hand-delivered, telecopied or transmitted electronically and confirmed to such Purchaser.

11. *Successors.* This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers, directors and controlling persons referred to in Section 7, and no other person will have any right or obligation hereunder, except that holders of the Offered Securities shall be entitled to enforce the agreements for their benefit contained in the second and third sentences of Section 4(b) hereof against the Company as if such holders were parties thereto.

12. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

13. *Representation of Purchasers.* The Representatives will act for the several Purchasers in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives will be binding upon all the Purchasers.

14. *Absence of Fiduciary Relationship.* Each of the Company and the Guarantors acknowledges and agrees that:

(a) *No Other Relationship.* The Purchasers have been retained solely to act as initial purchasers in connection with the initial purchase, offering and resale of the Offered Securities and that no fiduciary, advisory or agency relationship between the Company or the Guarantors, on the one hand, and any Purchaser, on the other, has been created in respect of any of the transactions contemplated by this Agreement, the Preliminary Offering Memorandum or the Final Offering Memorandum, irrespective of whether any Purchaser has advised or are advising the Company or the Guarantors on other matters;

(b) *Arm's-Length Negotiations.* The purchase price of the Offered Securities set forth in this Agreement was established by the Company and the Guarantors following discussions and arm's-length negotiations with the Representatives and the Company and the Guarantors are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* Each of the Company and the Guarantors has been advised that each Purchaser and its affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company or the Guarantors and that each Purchaser has no obligation to disclose such interests and transactions to the Company or the Guarantors by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver.* Each of the Company and the Guarantors waives, to the fullest extent permitted by law, any claims it may have against any Purchaser for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Purchasers shall have no liability (whether direct or indirect) to the Company or the Guarantors in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company or the Guarantors, including members, stockholders, employees or creditors of the Company or the Guarantors.

15. ***Applicable Law.* This Agreement, and any claim, controversy or dispute arising under or related to this Agreement, shall be governed by, and construed in accordance with, the laws of the State of New York.**

Each of the Company and the Guarantors hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the Company and the Guarantors irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in The City of New York and irrevocably and unconditionally waives and

agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

16. *Patriot Act.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Purchasers are required to obtain, verify and record information that identifies their respective clients, including the Company and the Guarantors, which information may include the name and address of their respective clients, as well as other information that will allow the Purchasers to properly identify their respective clients.

[Signature pages follow.]

Signature Page to Purchase Agreement

If the foregoing is in accordance with the Purchasers' understanding of our agreement, kindly sign and return to one of the counterparts hereof, whereupon it will become a binding agreement among the Company, the Guarantors and the several Purchasers in accordance with its terms.

Very truly yours,

DIAMONDBACK ENERGY, INC.

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Chief Financial Officer,

DIAMONDBACK O&G LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Chief Financial Officer,

DIAMONDBACK E&P LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Chief Financial Officer,

The foregoing Purchase Agreement is hereby confirmed and accepted as of the date first above written..

**Merrill Lynch, Pierce, Fenner & Smith
Incorporated**

By: /s/ Sam Kazdal
Name: Sam Kazdal
Title: Managing Director

Goldman Sach & Co. LLC

By: /s/ Ariel Fox
Name: Ariel Fox
Title: Vice President
**Acting on behalf of themselves and as
Representative of several Purchasers**

SCHEDULE A

Purchasers	Aggregate Principal Amount of Offered Securities
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$264,484,000
Goldman Sachs & Co. LLC	\$188,917,000
Wells Fargo Securities, LLC	\$98,237,000
Citigroup Global Markets Inc.	\$30,226,000
Credit Suisse Securities (USA) LLC	\$30,226,000
J.P. Morgan Securities LLC	\$30,226,000
Capital One Securities, Inc.	\$18,892,000
Scotia Capital (USA) Inc.	\$18,892,000
BB&T Capital Markets, a division of BB&T Securities, LLC	\$7,557,000
BOK Financial Securities, Inc.	\$7,557,000
CIBC World Markets Corp.	\$7,557,000
ING Financial Markets LLC	\$7,557,000
PNC Capital Markets LLC	\$7,557,000
SunTrust Robinson Humphrey, Inc.	\$7,557,000
U.S. Bancorp Investments, Inc.	\$7,557,000
Commonwealth Bank of Australia	\$5,667,000
IBERIA Capital Partners L.L.C.	\$5,667,000
West Texas National Bank	\$5,667,000
Total	<u>\$750,000,000</u>

SCHEDULE B

GUARANTORS

1. Diamondback O&G LLC
2. Diamondback E&P LLC

SCHEDULE C

Issuer Free Writing Communications (included in the General Disclosure Package)

1. Final term sheet, dated September 18, 2018, a copy of which is attached hereto as Annex I.

ANNEX I

DIAMONDBACK ENERGY, INC.

4.750% SENIOR NOTES DUE 2024

Pricing Supplement

Diamondback Energy, Inc.
\$750,000,000 4.750% Senior Notes due 2024
September 18, 2018

Pricing Supplement

Pricing Supplement dated September 18, 2018 to the Preliminary Offering Memorandum dated September 18, 2018 (the “**Preliminary Offering Memorandum**”), of Diamondback Energy, Inc. (the “**Company**”). The information in this Pricing Supplement supplements the Preliminary Offering Memorandum and supersedes the information in the Preliminary Offering Memorandum to the extent it is inconsistent with the information in the Preliminary Offering Memorandum. Capitalized terms used in this Pricing Supplement but not defined have the meanings given them in the Preliminary Offering Memorandum.

Issuer	Diamondback Energy, Inc.
Title of Securities	4.750% Senior Notes due 2024 (the “ notes ”) The notes are being offered as additional notes under an indenture pursuant to which the Company issued \$500,000,000 aggregate principal amount of the Company’s 4.750% Senior Notes due 2024 on October 28, 2016
Aggregate Principal Amount	\$750,000,000, representing a \$250,000,000 upsize from the size of the offering contemplated by the Preliminary Offering Memorandum
Gross Proceeds	\$748,125,000 (before deducting the initial purchasers’ discount and commissions and estimated offering expenses of the Company and excluding accrued interest)
Use of Proceeds	The proceeds will be used to repay our outstanding borrowings under our revolving credit facility and for general corporate purposes, which may include a portion of the cash consideration for the Pending Ajax Acquisition
Distribution	Rule 144A/Regulation S, with registration rights
Maturity Date	November 1, 2024
Issue Price	99.75%, plus accrued and unpaid interest from May 1, 2018
Coupon	4.750%
Yield to Worst	4.797%
Interest Payment Dates	Each May 1 and November 1
Record Dates	April 15 and October 15 of each year
Trade Date	September 18, 2018
Settlement Date	September 25, 2018 (T+5)

Optional Redemption	On and after November 1 of the following years and at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest and special interest, if any, on the notes redeemed during the periods indicated below:
	<u>Date</u> <u>Percentage</u>
	2019 103.563%
	2020 102.375%
	2021 101.188%
	2022 and thereafter 100.000%
Optional Redemption with Equity Proceeds	Up to 35% at 104.750% prior to November 1, 2019
Make-Whole Redemption	Make-whole redemption at Applicable Premium calculated based on the treasury rate plus 50 basis points prior to November 1, 2019
Offer to Purchase upon a Change of Control	101% plus any accrued and unpaid interest and special interest, if any
Joint Book-Running Managers	Merrill Lynch, Pierce, Fenner & Smith Incorporated Goldman Sachs & Co. LLC Wells Fargo Securities, LLC
Senior Co-Managers	Citigroup Global Markets Inc. Credit Suisse Securities (USA) LLC J.P. Morgan Securities LLC
Co-Managers	Capital One Securities, Inc. Scotia Capital (USA) Inc. BB&T Capital Markets, a division of BB&T Securities, LLC BOK Financial Securities, Inc. CIBC World Markets Corp. ING Financial Markets LLC PNC Capital Markets LLC SunTrust Robinson Humphrey, Inc. U.S. Bancorp Investments, Inc. Commonwealth Bank of Australia Iberia Capital Partners L.L.C. West Texas National Bank
CUSIP Numbers	144A CUSIP: 25278X AC3 Regulation S CUSIP: U25257 AE3
ISIN Numbers	144A ISIN: US25278XAC39 Regulation S ISIN: USU25257AE38
Denominations	Minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof

Changes to the Preliminary Offering Memorandum

The second paragraph under the heading “Independent Registered Public Accounting Firm” is hereby deleted and replaced with the following:

“The financial statements of Energen Corporation incorporated in this offering memorandum by reference to Energen Corporation’s Annual Report on Form 10-K for the year ended December 31, 2017, and the effectiveness of internal control over financial reporting of Energen Corporation as of December 31, 2017 have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report incorporated herein.”

The seventh bullet under the first paragraph under the heading “Incorporation of Documents By Reference” is hereby deleted and replaced with the following:

“audited financial statements of Energen Corporation as of December 31, 2017 and 2016 and for each of the three years in the period ended December 31, 2017 and related reports and management's report on internal controls over financial reporting appearing in Energen Corporation's Annual Report on Form 10-K for the year ended December 31, 2017, filed by Energen Corporation with the SEC on February 28, 2018.”

This material is strictly confidential and has been prepared by the Company solely for use in connection with the proposed offering of the securities described in the Preliminary Offering Memorandum. This material is personal to each offeree and does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the securities. Please refer to the Preliminary Offering Memorandum for a complete description.

The securities have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), and are being offered only to (1) persons reasonably believed to be qualified institutional buyers in accordance with Rule 144A under the Securities Act and (2) certain persons outside the United States under Regulation S under the Securities Act, and this communication is only being distributed to such persons.

This communication is not an offer to sell the securities and it is not a solicitation of an offer to buy the securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Any disclaimer or notices that may appear on this Pricing Supplement below the text of this legend are not applicable to this Pricing Supplement and should be disregarded. Such disclaimers or other notices were automatically generated as a result of this communication being sent via Bloomberg or another e-mail system.

SCHEDULE D

Form of Opinion of Akin Gump Strauss Hauer & Feld LLP

1. The Company is a corporation that is validly existing and in good standing under the laws of the State of Delaware, the jurisdiction of its incorporation. Each of the Guarantors is a limited liability company that is validly existing and in good standing under the laws of the State of Delaware. Each of the Company and the Guarantors has the corporate or limited liability company, as the case may be, power and authority to own, lease, hold and operate its properties and conduct its business, in each case as described in the General Disclosure Package and the Final Offering Memorandum. Each of the Company and the Guarantors is duly qualified to do business as a foreign corporation or limited liability company, as the case may be, in good standing in each applicable jurisdiction listed on Schedule III hereto.
2. Each of the Company and the Guarantors has the corporate or limited liability company, as the case may be, power and authority to execute, deliver and perform its obligations under the Purchase Agreement, the Registration Rights Agreement, the Supplemental Indenture and the Offered Securities, and to perform its obligations under the Indenture, in each case to the extent party thereto, and to authorize, issue and sell the Offered Securities.
3. The execution, delivery and performance of the Existing Indenture and the Supplemental Indenture, and the performance of the Indenture (including the Guarantees set forth therein), in each case have been duly authorized by all necessary corporate or limited liability company, as the case may be, action on the part of each of the Company and the Guarantors. Each of the Existing Indenture and the Supplemental Indenture has been duly executed and delivered by each of the Company and the Guarantors. The execution, delivery and issuance of the Notes have been duly authorized by all necessary corporate action on the part of the Company, and, when the Notes have been executed by the Company and authenticated by the Trustee in the manner provided in the Indenture and delivered against payment of the purchase price therefor, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms. The Notes are in the form contemplated by the Indenture. Each of the Supplemental Indenture and the Indenture (including the Guarantees set forth therein) constitutes the valid and binding obligation of each of the Company and the Guarantors, enforceable against the Company and the Guarantors in accordance with its terms. The Notes and the Guarantees are entitled to the benefits of the Indenture.
4. The execution, delivery and performance of the Exchange Notes and the Exchange Guarantees set forth in the Indenture have been duly authorized by all necessary corporate or limited liability company, as the case may be, action on the part of each of the Company and the Guarantors, as applicable; and when the Exchange Notes are issued, executed and authenticated in accordance with the terms of the Exchange Offer and the Indenture, the Exchange Notes and the Exchange Guarantees will be the valid and binding obligations of the Company and the Guarantors, as applicable, enforceable against the Company and the Guarantors, as applicable, in accordance with their terms.
5. The execution, delivery and performance of the Registration Rights Agreement have been duly authorized by all necessary corporate or limited liability company, as the case may be, action on the part of each of the Company and the Guarantors. The Registration Rights Agreement has been duly executed and delivered by each of the Company and the Guarantors. The Registration Rights Agreement constitutes the valid and binding obligation of each of the Company and the Guarantors, enforceable against the Company and the Guarantors in accordance with its terms.
6. No consent, approval, authorization or order of, notice to, or registration or filing with, any governmental agency or body or any court is required under any Included Law for the due execution, delivery or performance by the Company and the Guarantors of the Purchase Agreement, the Supplemental Indenture or the Registration Rights Agreement, the performance of the Indenture, or the issuance of the Offered Securities or for the consummation of the transactions contemplated by the Purchase Agreement, the Supplemental Indenture, the Indenture and the Registration Rights Agreement in connection with the offering, issuance and sale of the Notes by the Company and the Guarantees by the Guarantors, except for (a) routine filings necessary in connection with the conduct of the businesses of the Company and the Guarantors, (b) filings necessary to maintain existence and good standing and (c) such other filings as have been obtained or made.
7. Neither the execution and delivery of the Notes, the Purchase Agreement, the Registration Rights Agreement and the Supplemental Indenture by the Company and the Guarantors and the performance by the Company and the Guarantors of their respective obligations under any of the foregoing and under the Indenture (including the Guarantees therein), nor the issuance and sale of the Offered Securities, will (a) result in a violation of the terms of the Organizational Documents of the Company or the Guarantors, (b) breach, or result in a default or Debt Repayment Triggering Event under, any Reviewed Agreement, (c) result in the violation by the Company or any Guarantor of any statute, rule or regulation that

is an Included Law or (d) result in the creation or imposition under any Reviewed Agreement of any lien, charge or encumbrance upon any property or assets of the Company or the Guarantors except as contemplated by the Purchase Agreement, the Indenture and the Registration Rights Agreement.

8. The execution, delivery and performance of the Purchase Agreement have been duly authorized by all necessary corporate or limited liability company, as the case may be, action on the part of each of the Company and the Guarantors. The Purchase Agreement has been duly executed and delivered by each of the Company and the Guarantors.
9. Assuming, without independent investigation, (a) that the Offered Securities are sold to the Initial Purchasers pursuant to the Purchase Agreement, and initially resold by the Initial Purchasers, in each case in accordance with the terms of and in the manner contemplated by, the Purchase Agreement and the Final Offering Memorandum, (b) the accuracy of the representations and warranties of the Company and the Guarantors set forth in the Purchase Agreement and in those certain certificates delivered on the date hereof, (c) the accuracy of the representations and warranties of the Initial Purchasers set forth in the Purchase Agreement, (d) the due performance by the Company, the Guarantors and the Initial Purchasers of their respective covenants and agreements set forth in the Purchase Agreement, (e) the Initial Purchasers' compliance with the transfer procedures and restrictions described in the Final Offering Memorandum, the Indenture and the Notes and (f) the accuracy of the representations and warranties made in accordance with the Purchase Agreement and the "Notice to Investors" section of the Final Offering Memorandum by each purchaser to whom any Initial Purchaser initially resells the Offered Securities, it is not necessary to register the Offered Securities under the Securities Act or to qualify an indenture in respect thereof under the Trust Indenture Act, in each case in connection with the issuance and sale of the Offered Securities by the Company and the Guarantors to the Initial Purchasers or in connection with the initial resale of the Offered Securities by the Initial Purchasers in the manner contemplated by the Purchase Agreement and the Final Offering Memorandum, it being expressly understood that we express no opinion as to any subsequent re-offer or resale of any of the Offered Securities.
10. Neither the Company nor any Guarantor is, and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package and the Final Offering Memorandum, neither the Company nor any Guarantor will be, an "investment company" required to register under and within the meaning of the Investment Company Act.
11. The statements in the General Disclosure Package and the Final Offering Memorandum under the heading "Material U.S. Federal Income Tax Considerations," insofar as they purport to be summaries of the terms of Federal statutes, rules or regulations, in each case that constitute Included Laws, constitute fair summaries of the terms of such statutes, rules or regulations in all material respects, subject to the qualifications and assumptions stated therein.
12. The statements in each of the General Disclosure Package and the Final Offering Memorandum under the captions "Description of Notes" and "Description of Other Indebtedness," insofar as they purport to be summaries of the terms of contracts and other documents specified therein, constitute fair summaries of the terms of such contracts and other documents in all material respects, subject to the qualifications and assumptions stated therein.

Negative Assurance

Because the primary purpose of our professional engagement was not to establish or confirm factual matters or financial, accounting, statistical or reserve information, and because many determinations involved in the preparation of the General Disclosure Package or the Final Offering Memorandum are of a wholly or partially non-legal character, except to the extent expressly set forth in paragraphs 11 and 12 of this letter, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained or incorporated by reference in the General Disclosure Package and the Final Offering Memorandum and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements.

However, in the course of our acting as counsel to the Company in connection with its preparation of the General Disclosure Package and the Final Offering Memorandum, we reviewed each such document and participated in conferences and telephone conversations with representatives of the Company, the internal reserve engineer of the Company, representatives of the independent public accountants for the Company and the Guarantors, representatives of the independent petroleum engineers of the Company, representatives of the Initial Purchasers and representatives of the Initial Purchasers' counsel, during which conferences and conversations the contents of the General Disclosure Package and the Final Offering Memorandum and related matters were discussed, and we reviewed certain corporate records and documents furnished to us by the Company and certain documents publicly filed by the Company with the Commission.

Subject to the foregoing, we confirm to you that, on the basis of the information we gained in the course of performing the services referred to above, no facts have come to our attention that cause us to believe that:

(i) the General Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(ii) the Final Offering Memorandum, as of its date and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

except that in the case of each of clauses (i) and (ii) above, we do not express any view as to: (A) financial statements and related notes and schedules or other financial data, accounting data or reports on the effectiveness of internal control over financial reporting; (B) oil and gas reserves; and (C) statistical data derived from such financial data or oil and gas reserves and related future net cash flows contained in or incorporated by reference in or omitted from the General Disclosure Package or the Final Offering Memorandum.

Included Laws

We express no opinion as to the Laws of any jurisdiction other than the Included Laws. We have made no special investigation or review of any published constitutions, treaties, laws, statutes, rules or regulations or judicial or administrative decisions ("Laws") other than a review of: (i) the Laws of the State of New York; (ii) the Delaware General Corporation Law and the Delaware Limited Liability Company Act; (iii) solely with respect to the opinions expressed in paragraphs 9 and 10 of this letter, the Federal securities Laws of the United States of America; and (iv) solely with respect to the opinion expressed in paragraph 11 of this letter, the Federal tax Laws of the United States of America. For purposes of this opinion, the term "Included Laws" means the items described in clauses (i) - (iv) in the preceding sentence that are, in our experience, normally applicable to transactions of the type contemplated in the Transaction Documents. The term "Included Laws" excludes: (a) Laws of any counties, cities, towns, municipalities and special political subdivisions, and foreign governments and, in each case, any agencies thereof; (b) any land use, zoning, building code, construction, antifraud, environmental, labor, tax (other than, solely with respect to the opinion expressed in paragraph 11 of this letter, Federal tax Laws of the United States of America), pension, employee benefit, antiterrorism, money laundering, insurance, antitrust, or intellectual property Laws; (c) Federal Reserve Board margin regulations; (d) securities Laws (other than, solely with respect to the opinions expressed in paragraphs 9 and 10 of this letter, the Federal securities Laws of the United States of America); and (e) any Laws that may be applicable to the Opinion Parties by virtue of the particular nature of the businesses conducted by them or any goods or services provided by them or property owned or leased by them.

SCHEDULE E

Form of Opinion of General Counsel of the Company and Guarantors

1. To such counsel's knowledge, there are no legal or governmental proceedings required to be described in the General Disclosure Package or the Final Offering Memorandum under the Securities Act and the Rules and Regulations which are not described as required, or any contracts required to be described in the General Disclosure Package or the Final Offering Memorandum or to be filed or incorporated by reference as exhibits to a registration statement, in each case under the Securities Act and the Rules and Regulations, which are not described and filed or incorporated by reference as required.
2. To such counsel's knowledge, (a) the Company is not in material violation of the Certificate of Incorporation or the Bylaws and none of the Guarantors is in violation of its certificate of formation or limited liability company agreement and (b) no material default (or event which, with the giving of notice or lapse of time would be a default) has occurred in the due performance or observance by the Company or the Guarantors of any of their respective material obligations, agreements, covenants or conditions contained in any contract, indenture, mortgage, loan agreement, note, lease or other agreement or instrument that is described or referred to in the General Disclosure Package and the Final Offering Memorandum (collectively, the "**Reviewed Agreements**")