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

**Form 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023  
OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.  
Commission File Number: 001-35512

**Amplify Energy Corp.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation or organization)

**82-1326219**  
(I.R.S. Employer Identification No.)

**500 Dallas Street , Suite 1700 , Houston , TX**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrant's telephone number, including area code: ( 713 ) 490-8900

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer   
Emerging growth company

Accelerated filer   
Smaller reporting 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

**Securities Registered Pursuant to Section 12(b):**

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock	AMPY	NYSE

As of October 31, 2023, the registrant had 39,096,700 outstanding shares of common stock, \$0.01 par value outstanding.

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AMPLIFY ENERGY CORP.  
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## GLOSSARY OF OIL AND NATURAL GAS TERMS

**Analogous Reservoir:** Analogous reservoirs, as used in resource assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature, and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, analogous reservoir refers to a reservoir that shares all of the following characteristics with the reservoir of interest: (i) the same geological formation (but not necessarily in pressure communication with the reservoir of interest); (ii) the same environment of deposition; (iii) similar geologic structure; and (iv) the same drive mechanism.

**Bbl:** One stock tank barrel, or 42 U.S. gallons liquid volume, used in reference to oil or other liquid hydrocarbons.

**Bbl/d:** One Bbl per day.

**Bcfe:** One billion cubic feet of natural gas equivalent.

**Boe:** One barrel of oil equivalent, calculated by converting natural gas to oil equivalent barrels at a ratio of six Mcf of natural gas to one Bbl of oil.

**BOEM:** U.S. Bureau of Ocean Energy Management.

**Btu:** One British thermal unit, the quantity of heat required to raise the temperature of a one-pound mass of water by one degree Fahrenheit.

**CO<sub>2</sub>:** Carbon dioxide.

**Development Project:** A development project is the means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.

**Dry Hole or Dry Well:** A well found to be incapable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production would exceed production expenses and taxes.

**Economically Producible:** The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. For this determination, the value of the products that generate revenue are determined at the terminal point of oil and natural gas producing activities.

**Exploitation:** A development or other project which may target proven or unproven reserves (such as probable or possible reserves), but which generally has a lower risk than that associated with exploration projects.

**Field:** An area consisting of a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. The field name refers to the surface area, although it may refer to both the surface and the underground productive formations.

**Gross Acres or Gross Wells:** The total acres or wells, as the case may be, in which we have a working interest.

**ICE:** Inter-Continental Exchange.

**MBbl:** One thousand Bbls.

**MBbls/d:** One thousand Bbls per day.

**MBoe:** One thousand barrels of oil equivalent.

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**MBboe/d:** One thousand barrels of oil equivalent per day.

**MMBoe:** One million barrels of oil equivalent.

**Mcf:** One thousand cubic feet of natural gas.

**Mcf/d:** One Mcf per day.

**MMBtu:** One million Btu.

**MMcf:** One million cubic feet of natural gas.

**MMcfe:** One million cubic feet of natural gas equivalent.

**MMcfe/d:** One MMcfe per day.

**Net Production:** Production that is owned by us less royalties and production due to others.

**NGLs:** The combination of ethane, propane, butane and natural gasolines that, when removed from natural gas, become liquid under various levels of higher pressure and lower temperature.

**NYMEX:** New York Mercantile Exchange.

**NYSE:** New York Stock Exchange.

**Oil:** Oil and condensate.

**Operator:** The individual or company responsible for the exploration and/or production of an oil or natural gas well or lease.

**OPIS:** Oil Price Information Service.

**Plugging and Abandonment:** Refers to the sealing off of fluids in the strata penetrated by a well so that the fluids from one stratum will not escape into another stratum or to the surface. Regulations of all states require plugging of abandoned wells.

**Probabilistic Estimate:** The method of estimation of reserves or resources is called probabilistic when the full range of values that could reasonably occur for each unknown parameter (from the geoscience and engineering data) is used to generate a full range of possible outcomes and their associated probabilities of occurrence.

**Proved Developed Reserves:** Proved reserves that can be expected to be recovered from existing wells with existing equipment and operating methods.

**Proved Reserves:** Those quantities of oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible, from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations, prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced, or the operator must be reasonably certain that it will commence the project, within a reasonable time. The area of the reservoir considered as proved includes (i) the area identified by drilling and limited by fluid contacts, if any, and (ii) adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or natural gas on the basis of available geoscience and engineering data. In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons, as seen in a well penetration, unless geoscience, engineering or performance data and reliable technology establishes a lower contact with reasonable certainty. Where direct observation from well penetrations has defined a highest known oil elevation and the potential exists for an associated natural gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty. Reserves

which can be produced economically through application of improved recovery techniques (including fluid injection) are included in the proved classification when (i) successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir, or an analogous reservoir or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and (ii) the project has been approved for development by all necessary parties and entities, including governmental entities. Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price used is the average price during the twelve-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

**Realized Price:** The cash market price less all expected quality, transportation and demand adjustments.

**Reliable Technology:** Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

**Reserves:** Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and natural gas or related substances to market and all permits and financing required to implement the project. Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

**Reservoir:** A porous and permeable underground formation containing a natural accumulation of producible oil and/or natural gas that is confined by impermeable rock or water barriers and is individual and separate from other reserves.

**Resources:** Resources are quantities of oil and natural gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable and another portion may be considered unrecoverable. Resources include both discovered and undiscovered accumulations.

**SEC:** The U.S. Securities and Exchange Commission

**Working Interest:** An interest in an oil and natural gas lease that gives the owner of the interest the right to drill for and produce oil and natural gas on the leased acreage and requires the owner to pay a share of the costs of drilling and production operations.

**Workover:** Operations on a producing well to restore or increase production.

**WTI:** West Texas Intermediate.

#### **NAMES OF ENTITIES**

As used in this Form 10-Q, unless indicated otherwise:

- “Amplify Energy,” “Amplify,” “Company,” “we,” “our,” “us,” or like terms refers to Amplify Energy Corp. individually and collectively with its subsidiaries, as the context requires;
- “Legacy Amplify” refers to Amplify Energy Holdings LLC (f/k/a Amplify Energy Corp.), the successor reporting company of Memorial Production Partners LP; and
- “OLLC” refers to Amplify Energy Operating LLC, our wholly owned subsidiary through which we operate our properties.

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about our:

- business strategies;
- ongoing impact of the oil incident that occurred off the coast of Southern California resulting from the Company's pipeline operations (the "Pipeline") at the Beta Field (the "Incident");
- acquisition and disposition strategy;
- cash flows and liquidity;
- financial strategy;
- ability to replace the reserves we produce through drilling;
- drilling locations;
- oil and natural gas reserves;
- technology;
- realized oil, natural gas and NGL prices;
- production volumes;
- lease operating expense;
- gathering, processing and transportation;
- general and administrative expense;
- future operating results;
- ability to procure drilling and production equipment;
- ability to procure oil field labor;
- planned capital expenditures and the availability of capital resources to fund capital expenditures;
- ability to access capital markets;
- marketing of oil, natural gas and NGLs;
- political and economic conditions and events in foreign oil and natural gas producing countries, including embargoes, continued hostilities in the Middle East and other sustained military campaigns;
- acts of God, fires, earthquakes, storms, floods, other adverse weather conditions, war, acts of terrorism, cyber security breaches, military operations or national emergency;

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- the occurrence or threat of epidemic or pandemic diseases, such as the coronavirus ("COVID-19") pandemic that began in 2020, or any government response to such occurrence or threat;
- expectations regarding general economic conditions, including inflation;
- competition in the oil and natural gas industry;
- effectiveness of risk management activities;
- environmental liabilities;
- counterparty credit risk;
- expectations regarding governmental regulation and taxation;
- expectations regarding developments in oil-producing and natural-gas producing countries; and
- plans, objectives, expectations and intentions.

All statements, other than statements of historical fact included in this report, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "would," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," "outlook," "continue," the negative of such terms or other comparable terminology. These statements address activities, events or developments that we expect or anticipate will or may occur in the future, including things such as projections of results of operations, plans for growth, goals, future capital expenditures, competitive strengths, references to future intentions and other such references. These forward-looking statements involve risks and uncertainties. Important factors that could cause our actual results or financial condition to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, the following risks and uncertainties:

- risks related to the Incident and the ongoing impact to the Company;
- risks related to a redetermination of the borrowing base under our senior secured reserve-based revolving credit facility (prior to and after the New Credit Facility (as defined below), the "Revolving Credit Facility");
- our ability to access funds on acceptable terms, if at all, because of the terms and conditions governing our indebtedness, including financial covenants;
- our ability to satisfy debt obligations;
- volatility in the prices for oil, natural gas and NGLs;
- the potential for additional impairments due to continuing or future declines in oil, natural gas and NGL prices;
- the uncertainty inherent in estimating quantities of oil, natural gas and NGL reserves;
- our substantial future capital requirements, which may be subject to limited availability of financing;
- the uncertainty inherent in the development and production of oil and natural gas;
- our need to make accretive acquisitions or substantial capital expenditures to maintain our declining asset base;
- the existence of unanticipated liabilities or problems relating to acquired or divested businesses or properties;

- potential acquisitions, including our ability to make acquisitions on favorable terms or to integrate acquired properties;
- the consequences of changes we have made, or may make from time to time in the future, to our capital expenditure budget, including the impact of those changes on our production levels, reserves, results of operations and liquidity;
- potential shortages of, or increased costs for, drilling and production equipment and supply materials for production, such as CO<sub>2</sub>;
- potential difficulties in the marketing of oil and natural gas;
- changes to the financial condition of counterparties;
- uncertainties surrounding the success of our secondary and tertiary recovery efforts;
- competition in the oil and natural gas industry;
- our results of evaluation and implementation of strategic alternatives;
- general political and economic conditions, globally and in the jurisdictions in which we operate, including escalating tensions between Russia and Ukraine and the potential destabilizing effect such conflict may pose for the European continent or the global oil and natural gas markets;
- the impact of climate change and natural disasters, such as earthquakes, tidal waves, mudslides, fires and floods;
- the impact of local, state and federal governmental regulations, including those related to climate change and hydraulic fracturing;
- the risk that our hedging strategy may be ineffective or may reduce our income;
- the cost and availability of insurance as well as operating risks that may not be covered by an effective indemnity or insurance;
- actions of third-party co-owners of interests in properties in which we also own an interest; and
- other risks and uncertainties described in "Item 1A. Risk Factors."

The forward-looking statements contained in this report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. All readers are cautioned that the forward-looking statements contained in this report are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or that the events or circumstances described in any forward-looking statement will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors described in "Part I—Item 1A. Risk Factors" of Amplify's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 9, 2023 ("2022 Form 10-K"). All forward-looking statements speak only as of the date of this report. The Company does not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise. These cautionary statements qualify all forward-looking statements attributable to the Company or persons acting on its behalf.

**PART I—FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS.**

**AMPLIFY ENERGY CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(In thousands, except outstanding shares)**

	September 30, 2023	December 31, 2022
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 6,387	\$ —
Accounts receivable, net (see Note 12)	47,864	80,455
Prepaid expenses and other current assets	24,003	18,789
Total current assets	<u>78,254</u>	<u>99,244</u>
Property and equipment, at cost:		
Oil and natural gas properties, successful efforts method	866,051	840,310
Support equipment and facilities	149,227	147,496
Other	10,149	9,648
Accumulated depreciation, depletion and amortization	( 678,531 )	( 658,162 )
Property and equipment, net	<u>346,896</u>	<u>339,292</u>
Restricted investments	17,725	11,326
Operating lease - long term right-of-use asset	6,025	7,376
Deferred tax asset	264,130	—
Other long-term assets	4,075	2,240
Total assets	<u>\$ 717,105</u>	<u>\$ 459,478</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 18,708	\$ 38,414
Revenues payable	21,199	22,105
Accrued liabilities (see Note 12)	55,354	58,449
Short-term derivative instruments	12,996	20,884
Total current liabilities	<u>108,257</u>	<u>139,852</u>
Long-term debt (see Note 7)	120,000	190,000
Asset retirement obligations	119,856	114,614
Long-term derivative instruments	7,834	—
Operating lease liability	5,414	6,567
Other long-term liabilities	9,707	13,010
Total liabilities	<u>371,068</u>	<u>464,043</u>
Commitments and contingencies (see Note 14)		
Stockholders' equity (deficit):		
Preferred stock, \$ 0.01 par value: 50,000,000 shares authorized; no shares issued and outstanding at September 30, 2023 and December 31, 2022	—	—
Common stock, \$ 0.01 par value: 250,000,000 shares authorized; 39,062,856 and 38,459,731 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	392	386
Additional paid-in capital	433,675	432,251
Accumulated deficit	( 88,030 )	( 437,202 )
Total stockholders' equity (deficit)	<u>346,037</u>	<u>( 4,565 )</u>
Total liabilities and equity	<u>\$ 717,105</u>	<u>\$ 459,478</u>

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

**AMPLIFY ENERGY CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
<b>Revenues:</b>				
Oil and natural gas sales	\$ 76,403	\$ 112,812	\$ 210,080	\$ 319,562
Other revenues	367	13,487	18,531	39,947
<b>Total revenues</b>	<b>76,770</b>	<b>126,299</b>	<b>228,611</b>	<b>359,509</b>
<b>Costs and expenses:</b>				
Lease operating expense	37,083	32,048	104,946	98,253
Gathering, processing and transportation	4,984	7,483	15,735	22,774
Taxes other than income	4,942	9,152	15,440	25,328
Depreciation, depletion and amortization	7,489	6,296	20,369	17,795
General and administrative expense	8,255	6,965	24,547	23,364
Accretion of asset retirement obligations	2,005	1,773	5,922	5,242
Loss (gain) on commodity derivative instruments	23,328	( 3,300 )	4,371	108,675
Pipeline incident loss	559	2,606	15,682	8,278
Pipeline incident settlement	—	12,000	—	12,000
Other, net	449	93	728	534
<b>Total costs and expenses</b>	<b>89,094</b>	<b>75,116</b>	<b>207,740</b>	<b>322,243</b>
Operating income (loss)	( 12,324 )	51,183	20,871	37,266
<b>Other income (expense):</b>				
Interest expense, net	( 4,470 )	( 3,974 )	( 13,908 )	( 9,499 )
Litigation settlement (See Note 14)	—	—	84,875	—
Other income (expense)	124	25	319	73
<b>Total other income (expense)</b>	<b>( 4,346 )</b>	<b>( 3,949 )</b>	<b>71,286</b>	<b>( 9,426 )</b>
Income (loss) before income taxes	( 16,670 )	47,234	92,157	27,840
Income tax (expense) benefit - current	( 1,441 )	—	( 7,115 )	—
Income tax (expense) benefit - deferred	4,708	—	264,130	—
<b>Net income (loss)</b>	<b>\$ ( 13,403 )</b>	<b>\$ 47,234</b>	<b>\$ 349,172</b>	<b>\$ 27,840</b>
<b>Allocation of net income (loss) to:</b>				
Net income (loss) available to common stockholders	\$ ( 13,403 )	\$ 44,962	\$ 333,401	\$ 26,530
Net income (loss) allocated to participating securities	—	2,272	15,771	1,310
<b>Net income (loss) available to Amplify Energy Corp.</b>	<b>\$ ( 13,403 )</b>	<b>\$ 47,234</b>	<b>\$ 349,172</b>	<b>\$ 27,840</b>
<b>Earnings (loss) per share: (See Note 9)</b>				
Basic and diluted earnings (loss) per share	\$ ( 0.34 )	\$ 1.17	\$ 8.57	\$ 0.69
<b>Weighted average common shares outstanding:</b>				
Basic and diluted	39,063	38,441	38,911	38,318

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

**AMPLIFY ENERGY CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In thousands)**

	<b>For the Nine Months Ended</b>	
	<b>September 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 349,172	\$ 27,840
<b>Adjustments to reconcile net income (loss) to net cash provided by operating activities:</b>		
Depreciation, depletion and amortization	20,369	17,795
Loss (gain) on derivative instruments	4,371	107,746
Cash settlements (paid) received on expired derivative instruments	( 5,082 )	( 120,445 )
Cash settlements received (paid) on terminated derivative instruments	658	—
Deferred income tax expense (benefit)	( 264,130 )	—
Accretion of asset retirement obligations	5,922	5,242
Share-based compensation (see Note 10)	3,608	2,224
Settlement of asset retirement obligations	( 993 )	( 552 )
Amortization and write-off of deferred financing costs	1,679	469
Bad debt expense	98	1
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	32,493	4,737
Prepaid expenses and other assets	( 3,844 )	( 1,579 )
Payables and accrued liabilities	( 28,459 )	3,526
Other	( 2,634 )	2,326
Net cash provided by operating activities	<u>113,228</u>	<u>49,330</u>
<b>Cash flows from investing activities:</b>		
Additions to oil and gas properties	( 23,065 )	( 26,193 )
Additions to other property and equipment	( 501 )	( 7 )
Additions to restricted investments	( 6,399 )	( 5,353 )
Net cash used in investing activities	<u>( 29,965 )</u>	<u>( 31,553 )</u>
<b>Cash flows from financing activities:</b>		
Advances on Revolving Credit Facility	125,000	5,000
Payments on Revolving Credit Facility	( 195,000 )	( 30,000 )
Deferred financing costs	( 4,698 )	( 86 )
Shares withheld for taxes	( 2,178 )	( 546 )
Net cash used in financing activities	<u>( 76,876 )</u>	<u>( 25,632 )</u>
Net change in cash and cash equivalents	6,387	( 7,855 )
Cash and cash equivalents, beginning of period	—	18,799
Cash and cash equivalents, end of period	<u>\$ 6,387</u>	<u>\$ 10,944</u>

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

**AMPLIFY ENERGY CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (DEFICIT)**  
(In thousands)

	Stockholders' Equity			
	Common Stock	Additional Paid-in Capital	Accumulated Earnings (Deficit)	Total
Balance at December 31, 2022	\$ 386	\$ 432,251	\$( 437,202 )	\$ ( 4,565 )
Net income (loss)	—	—	352,759	352,759
Share-based compensation expense	—	941	—	941
Shares withheld for taxes	—	( 2,141 )	—	( 2,141 )
Other	5	( 5 )	—	—
Balance at March 31, 2023	391	431,046	( 84,443 )	346,994
Net income (loss)	—	—	9,816	9,816
Share-based compensation expense	—	1,340	—	1,340
Shares withheld for taxes	—	( 6 )	—	( 6 )
Balance at June 30, 2023	\$ 391	\$ 432,380	\$ ( 74,627 )	\$ 358,144
Net income (loss)	—	—	( 13,403 )	( 13,403 )
Share-based compensation expense	—	1,327	—	1,327
Shares withheld for taxes	—	( 31 )	—	( 31 )
Other	1	( 1 )	—	—
Balance at September 30, 2023	<u>\$ 392</u>	<u>\$ 433,675</u>	<u>\$ ( 88,030 )</u>	<u>\$ 346,037</u>

	Stockholders' Equity (Deficit)			
	Common Stock	Warrants <sup>(1)</sup>	Additional Paid-in Capital	Accumulated Earnings (Deficit)
Balance at December 31, 2021	\$ 382	\$ 4,788	\$ 425,066	\$( 495,077 )
Net income (loss)	—	—	—	( 48,614 )
Share-based compensation expense	—	—	518	—
Shares withheld for taxes	—	—	( 66 )	—
Other	2	—	( 2 )	—
Balance at March 31, 2022	384	4,788	425,516	( 543,691 )
Net income (loss)	—	—	—	29,220
Share-based compensation expense	—	—	856	—
Shares withheld for taxes	—	—	( 464 )	—
Expiration of warrants	—	( 4,788 )	4,788	—
Other	1	—	( 1 )	—
Balance at June 30, 2022	\$ 385	\$ —	\$ 430,695	\$( 514,471 )
Net income (loss)	—	—	—	47,234
Share-based compensation expense	—	—	850	—
Shares withheld for taxes	—	—	( 16 )	—
Other	1	—	( 1 )	—
Balance at September 30, 2022	<u>\$ 386</u>	<u>\$ —</u>	<u>\$ 431,528</u>	<u>\$( 467,237 )</u>
				<u>\$ ( 35,323 )</u>

(1) The warrants expired on May 4, 2022.

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Organization and Basis of Presentation**

***General***

Amplify Energy Corp. ("Amplify Energy," "Amplify," "it" or the "Company") is a publicly traded Delaware corporation whose common stock is listed on the NYSE under the symbol "AMPY."

The Company is engaged in the acquisition, development, exploitation and production of oil and natural gas properties located in Oklahoma, the Rockies, federal waters offshore Southern California, East Texas/North Louisiana and the Eagle Ford. The Company's properties consist primarily of operated and non-operated working interests in producing and undeveloped leasehold acreage and working interests in identified producing wells.

***Basis of Presentation***

The Company's accompanying Unaudited Condensed Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the Company's opinion, the accompanying Unaudited Condensed Consolidated Financial Statements include all adjustments of a normal recurring nature necessary for fair presentation. Material intercompany transactions and balances have been eliminated.

The results reported in these Unaudited Condensed Consolidated Financial Statements are not necessarily indicative of results that may be expected for the entire year. Furthermore, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the SEC. Accordingly, the accompanying Unaudited Condensed Consolidated Financial Statements and Notes should be read in conjunction with the Company's annual financial statements included in its 2022 Form 10-K.

***Use of Estimates***

The preparation of the accompanying Unaudited Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates include, but are not limited to, oil and natural gas reserves; fair value estimates; revenue recognition; and contingencies and insurance accounting.

**Note 2. Summary of Significant Accounting Policies**

There have been no changes to the Company's significant accounting policies as described in the Company's annual financial statements included in its 2022 Form 10-K.

***New Accounting Pronouncements***

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 3. Revenue**

***Revenue from Contracts with Customers***

Revenue is recognized when the following five steps are completed: (1) identify the contract with the customer, (2) identify the performance obligation (promise) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, (5) recognize revenue when the reporting organization satisfies a performance obligation.

The Company has determined that its contracts for the sale of crude oil, unprocessed natural gas, residue gas and NGLs contain monthly performance obligations to deliver product at locations specified in the contract. Control is transferred at the delivery location, at which point the performance obligation has been satisfied and revenue is recognized. Fees included in the contract that are incurred prior to control transfer are classified as gathering, processing and transportation, and fees incurred after control transfers are included as a reduction to the transaction price. The transaction price at which revenue is recognized consists entirely of variable consideration based on quoted market prices less various fees and the quantity of volumes delivered.

***Disaggregation of Revenue***

The Company has identified three material revenue streams in its business: oil, natural gas and NGLs. The following table presents the Company's revenues disaggregated by revenue stream.

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
(In thousands)				
Revenues				
Oil	\$ 57,214	\$ 54,394	\$ 146,780	\$ 165,686
NGLs	7,777	11,704	21,973	38,789
Natural gas	11,412	46,714	41,327	115,087
Oil and natural gas sales	<u>\$ 76,403</u>	<u>\$ 112,812</u>	<u>\$ 210,080</u>	<u>\$ 319,562</u>

***Contract Balances***

Under the Company's sales contracts, the Company invoices customers once its performance obligations have been satisfied, at which point payment is unconditional. Accordingly, the Company's contracts do not give rise to contract assets or liabilities. Accounts receivable attributable to the Company's revenue contracts with customers was \$ 31.9 million at September 30, 2023 and \$ 35.1 million at December 31, 2022.

**Note 4. Fair Value Measurements of Financial Instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a specified measurement date. Fair value estimates are based on either (i) actual market data or (ii) assumptions that other market participants would use in pricing an asset or liability, including estimates of risk. A three-tier hierarchy has been established that classifies fair value amounts recognized or disclosed in the financial statements. The hierarchy considers fair value amounts based on observable inputs (Levels 1 and 2) to be more reliable and predictable than those based primarily on unobservable inputs (Level 3). All the derivative instruments reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets were considered Level 2.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The carrying values of accounts receivables, accounts payables (including accrued liabilities), restricted investments and amounts outstanding under long-term debt agreements with variable rates included in the accompanying Unaudited Condensed Consolidated Balance Sheets approximated fair value at September 30, 2023 and December 31, 2022. The fair value estimates are based upon observable market data and are classified within Level 2 of the fair value hierarchy. These assets and liabilities are not presented in the following tables.

**Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The fair market values of the derivative financial instruments reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets as of September 30, 2023 and December 31, 2022 were based on estimated forward commodity prices. Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement in its entirety. The significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

The following tables present the gross derivative assets and liabilities that are measured at fair value on a recurring basis at September 30, 2023 and December 31, 2022 for each of the fair value hierarchy levels:

Fair Value Measurements at September 30, 2023					
	Quoted Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value	
	(In thousands)				
<b>Assets:</b>					
Commodity derivatives	\$ —	\$ 21,729	\$ —	\$ 21,729	
Interest rate derivatives	—	—	—	—	
Total assets	\$ —	\$ 21,729	\$ —	\$ 21,729	
<b>Liabilities:</b>					
Commodity derivatives	\$ —	\$ 42,559	\$ —	\$ 42,559	
Interest rate derivatives	—	—	—	—	
Total liabilities	\$ —	\$ 42,559	\$ —	\$ 42,559	

Fair Value Measurements at December 31, 2022					
	Quoted Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value	
	(In thousands)				
<b>Assets:</b>					
Commodity derivatives	\$ —	\$ 6,257	\$ —	\$ 6,257	
Interest rate derivatives	—	—	—	—	
Total assets	\$ —	\$ 6,257	\$ —	\$ 6,257	
<b>Liabilities:</b>					
Commodity derivatives	\$ —	\$ 27,141	\$ —	\$ 27,141	
Interest rate derivatives	—	—	—	—	
Total liabilities	\$ —	\$ 27,141	\$ —	\$ 27,141	

See Note 5 for additional information regarding the Company's derivative instruments.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

***Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis***

Certain assets and liabilities are reported at fair value on a nonrecurring basis, as reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets. The following methods and assumptions are used to estimate the fair values:

- The fair value of asset retirement obligations ("AROs") is based on discounted cash flow projections using numerous estimates, assumptions and judgments regarding factors such as the existence of a legal obligation for an ARO; amounts and timing of settlements; the credit-adjusted risk-free rate; and inflation rates. The initial fair value estimates are based on unobservable market data and are classified within Level 3 of the fair value hierarchy. See Note 6 for a summary of changes in AROs.
- Proved oil and natural gas properties are reviewed for impairment when events and circumstances indicate a possible decline in the recoverability of the carrying value of such properties. The Company uses an income approach based on the discounted cash flow method, whereby the present value of expected future net cash flows is discounted by applying an appropriate discount rate, for purposes of placing a fair value on the assets. The future cash flows are based on management's estimates for the future. The unobservable inputs used to determine fair value include, but are not limited to, estimates of proved reserves, estimates of probable reserves, future commodity prices, the timing of future production and capital expenditures and a discount rate commensurate with the risk reflective of the lives remaining for the respective oil and natural gas properties (some of which are Level 3 inputs within the fair value hierarchy).
- No impairment expense was recorded on proved oil and natural gas properties during the three and nine months ended September 30, 2023 and 2022.

**Note 5. Risk Management and Derivative Instruments**

Derivative instruments are utilized to manage exposure to commodity price and interest rate fluctuations and to achieve a more predictable cash flow in connection with natural gas and oil sales and borrowing related activities. These instruments limit exposure to declines in prices but also limit the benefits that would be realized if prices increase.

Certain inherent business risks are associated with commodity derivative contracts, including market risk and credit risk. Market risk is the risk that the price of natural gas or oil will change, either favorably or unfavorably, in response to changing market conditions. Credit risk is the risk of loss from nonperformance by the counterparty to a contract. It is the Company's policy to enter into derivative contracts only with creditworthy counterparties, which generally are financial institutions, deemed by management as competent and competitive market makers. Some of the lenders, or certain of their affiliates, under the Company's current credit agreements are counterparties to its derivative contracts. While collateral is generally not required to be posted by counterparties, credit risk associated with derivative instruments is minimized by limiting exposure to any single counterparty and entering into derivative instruments only with creditworthy counterparties that are generally large financial institutions. Additionally, master netting agreements are used to mitigate risk of loss due to default with counterparties on derivative instruments. The Company has also entered into International Swaps and Derivatives Association Master Agreements ("ISDA Agreements") with each of its counterparties. The terms of the ISDA Agreements provide the Company and each of its counterparties with rights of set-off upon the occurrence of defined acts of default by either the Company or its counterparty to a derivative, whereby the party not in default may set-off all liabilities owed to the defaulting party against all net derivative asset receivables from the defaulting party. See Note 7 for additional information regarding the Company's Revolving Credit Facility.

***Commodity Derivatives***

The Company may use a combination of commodity derivatives (e.g., floating-for-fixed swaps, put options, costless collars and three-way collars) to manage exposure to commodity price volatility. The Company recognizes all derivative instruments at fair value.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The Company enters into natural gas derivative contracts that are indexed to NYMEX-Henry Hub. The Company also enters into oil derivative contracts indexed to NYMEX-WTI.

At September 30, 2023, the Company had the following open commodity positions:

	2023	2024	2025	2026
<b>Natural Gas Derivative Contracts:</b>				
Fixed price swap contracts:				
Average monthly volume (MMBtu)	—	662,500	675,000	291,667
Weighted-average fixed price	\$ —	\$ 3.72	\$ 3.74	\$ 3.72
Collar contracts:				
Two-way collars				
Average monthly volume (MMBtu)	1,336,000	627,083	500,000	291,667
Weighted-average floor price	\$ 3.35	\$ 3.43	\$ 3.50	\$ 3.50
Weighted-average ceiling price	\$ 5.22	\$ 4.32	\$ 4.10	\$ 4.10
<b>Crude Oil Derivative Contracts:</b>				
Fixed price swap contracts:				
Average monthly volume (Bbls)	113,333	61,333	53,000	30,917
Weighted-average fixed price	\$ 66.91	\$ 73.55	\$ 70.68	\$ 70.68
Collar contracts:				
Two-way collars				
Average monthly volume (Bbls)	15,000	102,000	59,500	—
Weighted-average floor price	\$ 65.00	\$ 70.00	\$ 70.00	\$ —
Weighted-average ceiling price	\$ 76.16	\$ 80.20	\$ 80.20	\$ —
Three-way collars				
Average monthly volume (Bbls)				
Average monthly volume (Bbls)	50,000	—	—	—
Weighted-average ceiling price	\$ 74.54	\$ —	\$ —	\$ —
Weighted-average floor price	\$ 58.00	\$ —	\$ —	\$ —
Weighted-average sub-floor price	\$ 43.00	\$ —	\$ —	\$ —

**Balance Sheet Presentation**

The following table summarizes both: (i) the gross fair value of derivative instruments by the appropriate balance sheet classification even when the derivative instruments are subject to netting arrangements and qualify for net presentation in the balance sheet and (ii) the net recorded fair value as reflected on the balance sheet at September 30, 2023 and December 31, 2022. There was no cash collateral received or pledged associated with the Company's derivative instruments since most of its counterparties, or certain of its affiliates, to its derivative contracts are lenders under its Revolving Credit Facility.

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Type	Balance Sheet Location	Asset	Liability	Asset	Liability
		Derivatives September 30, 2023	Derivatives September 30, 2023	Derivatives December 31, 2022	Derivatives December 31, 2022
(In thousands)					
Commodity contracts	Short-term derivative instruments	\$ 9,745	\$ 22,741	\$ 6,257	\$ 27,141
Interest rate swaps	Short-term derivative instruments	—	—	—	—
Gross fair value		9,745	22,741	6,257	27,141
Netting arrangements		( 9,745 )	( 9,745 )	( 6,257 )	( 6,257 )
Net recorded fair value	Short-term derivative instruments	\$ —	\$ 12,996	\$ —	\$ 20,884
Commodity contracts	Long-term derivative instruments	\$ 11,984	\$ 19,818	\$ —	\$ —
Interest rate swaps	Long-term derivative instruments	—	—	—	—
Gross fair value		11,984	19,818	—	—
Netting arrangements		( 11,984 )	( 11,984 )	—	—
Net recorded fair value	Long-term derivative instruments	\$ —	\$ 7,834	\$ —	\$ —

***Loss (Gain) on Derivative Instruments***

The Company does not designate derivative instruments as hedging instruments for accounting and financial reporting purposes. Accordingly, all gains and losses, including changes in the derivative instruments' fair values, have been recorded in the accompanying Unaudited Condensed Consolidated Statements of Operations. The following table details the gains and losses related to derivative instruments for the periods indicated (in thousands):

Statements of Operations Location	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Commodity derivative contracts	\$ 23,328	\$ ( 3,300 )	\$ 4,371	\$ 108,675
(Gain) loss on interest rate derivatives	—	( 87 )	—	( 930 )

**Note 6. Asset Retirement Obligations**

The Company's asset retirement obligations primarily relate to the Company's portion of future plugging and abandonment costs for wells and related facilities. The following table presents the changes in the asset retirement obligations for the nine months ended September 30, 2023 (in thousands):

Asset retirement obligations at beginning of period	\$ 116,438
Liabilities added from acquisition or drilling	5
Liabilities settled	( 993 )
Liabilities removed upon sale of wells	—
Accretion expense	5,922
Revision of estimates	190
Asset retirement obligation at end of period	121,562
Less: Current portion	1,706
Asset retirement obligations - long-term portion	\$ 119,856

**AMPLIFY ENERGY CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt**

The following table presents the Company's consolidated debt obligations at the dates indicated:

	<u>September 30,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>
(In thousands)		
Revolving Credit Facility (1)	\$ 120,000	\$ 190,000
Total long-term debt	<u>\$ 120,000</u>	<u>\$ 190,000</u>

(1) The carrying amount of the Company's Revolving Credit Facility approximates fair value because the interest rates are variable and reflective of market rates.

***Amended and Restated Credit Agreement***

On July 31, 2023, OLLC and Amplify Acquisitionco LLC ("Acquisitionco"), as the direct parent of OLLC and wholly owned subsidiary of the Company, amended and restated the Revolving Credit Facility with Keybanc Capital Markets Inc., Cadence Bank, N.A. and Citizens Bank, N.A. as joint lead arrangers and KeyBank National Association as the administrative agent (the "New Credit Facility"). The New Credit Facility is a replacement in full of the prior Revolving Credit Facility.

The aggregate principal amount of loans outstanding under the New Credit Facility as of September 30, 2023, was \$ 120.0 million. The borrowing base under the facility is \$ 150.0 million with elected commitments of \$ 135.0 million, and, consistent with the prior Revolving Credit Facility, the New Credit Facility borrowing base will be redetermined on a semi-annual basis.

Certain key terms and conditions under the New Credit Facility include (but are not limited to):

- A maturity date of July 31, 2027;
- The loans shall bear interest at a rate per annum equal to (i) adjusted SOFR or (ii) an adjusted base rate, plus an applicable margin based on a utilization ratio of the lesser of the borrowing base and the aggregate commitments. The applicable margin ranges from 2.00 % to 3.00 % for adjusted base rate borrowings, and 3.00 % to 4.00 % for adjusted SOFR borrowings;
- The unused commitments under the New Credit Facility will accrue a commitment fee of 0.50 %, payable quarterly in arrears;
- Certain financial covenants, including the maintenance of (i) a net debt leverage ratio not to exceed 3.00 to 1.00, determined as of the last day of each fiscal quarter for the four fiscal-quarter period then ending and (ii) a current ratio of not less than 1.00 to 1.00, determined as of the last day of each fiscal quarter, in each case commencing with the fiscal quarter ending December 31, 2023;
- Certain events of default, including, without limitation: non-payment; breaches of representations and warranties; non-compliance with covenants or other agreements; cross-default to material indebtedness; judgments; change of control; and voluntary and involuntary bankruptcy; and
- Initial minimum hedging requirements covering 75 % of the reasonably projected monthly production of hydrocarbons from proved developed producing reserves for the 24-month period following the effective date of the New Credit Facility (the "First Period") and (ii) 50 % for the 12-month period immediately following the First Period.

As of September 30, 2023, the Company was in compliance with all the financial (current ratio and total leverage ratio) and non-financial covenants associated with its New Credit Facility.

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On October 19, 2023, the Company completed the fall 2023 borrowing base redetermination, which reaffirmed the borrowing base of \$ 150.0 million with elected commitments of \$ 135.0 million. The next redetermination is expected to occur in the second quarter of 2024.

***Revolving Credit Facility***

Prior to the New Credit Facility, OLLC had a reserve-based Revolving Credit Facility with a borrowing base of \$ 180.0 million when such Revolving Credit Facility was replaced with the New Credit Facility. The Revolving Credit Facility was guaranteed by the Company and all of its current subsidiaries and would have matured on May 31, 2024.

***Weighted-Average Interest Rates***

The following table presents the weighted-average interest rates paid, excluding commitment fees, on the Company's consolidated variable-rate debt obligations for the periods presented:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2023	2022	September 30, 2023	2022
Revolving Credit Facility	9.39 %	5.91 %	9.34 %	4.73 %

***Letters of Credit***

At September 30, 2023, the Company had no letters of credit outstanding.

***Unamortized Deferred Financing Costs***

Unamortized deferred financing costs associated with the Company's Revolving Credit Facility was \$ 4.5 million at September 30, 2023. For the nine months ended September 30, 2023, the Company wrote off \$ 1.0 million of deferred financing costs in connection with the refinancing of the Revolving Credit Facility.

**Note 8. Equity**

***Common Stock***

The Company's authorized capital stock includes 250,000,000 shares of common stock, \$ 0.01 par value per share. The following is a summary of the changes in the Company's common stock issued for the nine months ended September 30, 2023:

	<b>Common Stock</b>
Balance, December 31, 2022	38,459,731
Issuance of common stock	—
Restricted stock units vested	845,519
Shares withheld for taxes (1)	(242,394)
Balance, September 30, 2023	<u>39,062,856</u>

(1) Represents the net settlement on vesting of restricted stock to satisfy tax withholding requirements.

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**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 9. Earnings per Share**

The following sets forth the calculation of earnings (loss) per share, or EPS, for the periods indicated (in thousands, except per share amounts):

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ (13,403)	\$ 47,234	\$ 349,172	\$ 27,840
Less: Net income allocated to participating securities	—	2,272	15,771	1,310
Basic and diluted earnings available to common stockholders	<u>\$ (13,403)</u>	<u>\$ 44,962</u>	<u>\$ 333,401</u>	<u>\$ 26,530</u>
Common shares:				
Common shares outstanding — basic	39,063	38,441	38,911	38,318
Dilutive effect of potential common shares	—	—	—	—
Common shares outstanding — diluted	<u>39,063</u>	<u>38,441</u>	<u>38,911</u>	<u>38,318</u>
Net earnings (loss) per share:				
Basic	\$ (0.34)	\$ 1.17	\$ 8.57	\$ 0.69
Diluted	<u>\$ (0.34)</u>	<u>\$ 1.17</u>	<u>\$ 8.57</u>	<u>\$ 0.69</u>

**Note 10. Long-Term Incentive Plans**

In May 2021, the shareholders approved a new Equity Incentive Plan ("EIP") in which the Legacy Amplify Management Incentive Plan (the "Legacy Amplify MIP") was replaced by the EIP and no further awards will be granted under the Legacy Amplify MIP. As of September 30, 2023, an aggregate of 831,546 shares were available for future grants under the EIP.

**Restricted Stock Units***Restricted Stock Units with Service Vesting Condition*

The restricted stock units with service vesting conditions ("TSUs") are accounted for as equity-classified awards. The grant-date fair value is recognized as compensation cost on a straight-line basis over the requisite service period and forfeitures are accounted for as they occur. Compensation costs are recorded as general and administrative expense. The unrecognized cost associated with the TSUs was \$ 5.7 million at September 30, 2023. The Company expects to recognize the unrecognized compensation cost for these awards over a weighted-average period of approximately 2.1 years.

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The following table summarizes information regarding the TSUs granted under the EIP for the period presented:

	Number of Units	Weighted-Average Grant-Date Fair Value per Unit (1)
TSUs outstanding at December 31, 2022	1,502,556	\$ 3.82
Granted (2)	682,680	\$ 8.14
Forfeited	( 72,095 )	\$ 6.05
Vested	( 690,839 )	\$ 4.00
TSUs outstanding at September 30, 2023	<u>1,422,302</u>	<u>\$ 5.69</u>

- (1) Determined by dividing the aggregate grant-date fair value of awards by the number of awards issued.  
 (2) The aggregate grant-date fair value of TSUs issued for the nine months ended September 30, 2023 was \$ 5.6 million based on a grant-date market price ranging from \$ 6.52 to \$ 8.91 per share.

*Restricted Stock Units with Market and Service Vesting Conditions*

The restricted stock units with market and service vesting conditions ("PSUs" or "PRSUs") are accounted for as equity-classified awards. The grant-date fair value is recognized as compensation cost on a graded-vesting basis. The fair value of the awards is estimated on their grant dates using a Monte Carlo simulation. The Company recognizes compensation cost over the requisite service or performance period. The Company accounts for forfeitures as they occur. Compensation costs are recorded as general and administrative expense. The unrecognized cost associated with these awards was \$ 2.6 million at September 30, 2023. The Company expects to recognize the unrecognized compensation cost for these awards over a weighted-average period of approximately 2.2 years.

*2020 PSU Awards*

The 2020 PSU awards vested based on the satisfaction of service and market vesting conditions, and the market vesting was based on the Company's achievement of certain share price targets. The PSUs were subject to service-based vesting such that 50 % of the PSUs service vested on the applicable market vesting date and an additional 25 % of the PSUs service vested on each of the first and second anniversaries of the applicable market vesting date.

*2021 PRSU Awards*

The 2021 PRSU awards were issued collectively in separate tranches with individual performances periods beginning on January 1, 2021. For each of the performance periods, the awards will vest based on the percentage of the target PRSUs subject to the performance vesting condition, with 25 % able to vest during the performance period of January 1, 2021 through December 31, 2021; 25 % able to vest during the period January 1, 2021 through December 31, 2022 and 50 % able to vest during the period of January 1, 2021 through December 31, 2023. Vesting of PRSUs can range from zero to 200 % of the target units granted based on the Company's relative total shareholder return as compared to the total shareholder return of the Company's performance peer group over the applicable performance period.

*2022 and 2023 PRSU Awards*

The 2022 and 2023 PRSU awards were issued with a three-year vesting period beginning on the grant date and ending on the third anniversary of the grant date. The three-year performance period for the 2022 awards is January 1, 2022 through December 31, 2024. The three-year performance period for the 2023 awards is January 1, 2023 through December 31, 2025. Vesting of PRSUs can range from zero to 200 % of the target units granted based on the Company's relative total shareholder return as compared to the total shareholder return of the Company's performance peer group over the applicable performance period.

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The below table reflects the ranges for the assumptions used in the Monte Carlo model for the 2023 PRSUs awards:

	<u>February 2023</u>	<u>April 2023</u>
Expected volatility	119.2 %	92.5 %
Dividend yield	0.00 %	0.00 %
Risk-free interest rate	3.74 %	3.78 %

The following table summarizes information regarding the PSUs and PRSUs granted under the EIP for the period presented:

	<u>Number of Units</u>	<u>Weighted-Average Grant-Date Fair Value per Unit (1)</u>
PSUs and PRSUs outstanding at December 31, 2022	380,512	\$ 4.28
Granted (2)	321,436	\$ 10.59
Forfeited	( 144,567 )	\$ 6.55
Vested	( 154,680 )	\$ 2.20
PSUs and PRSUs outstanding at September 30, 2023	<u>402,701</u>	<u>\$ 9.31</u>

- (1) Determined by dividing the aggregate grant-date fair value of awards by the number of awards issued.  
(2) The aggregate grant-date fair value of PRSUs issued for the nine months ended September 30, 2023 was \$ 3.4 million based on a calculated fair value price ranging from \$ 1.27 to \$ 15.04 per share.

**Compensation Expense**

The following table summarizes the amount of recognized compensation expense associated with the EIP, which are reflected in the accompanying Unaudited Condensed Statements of Operations for the periods presented (in thousands):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Equity classified awards</b>				
TSUs	1,027	718	2,965	2,000
PSUs and PRSUs	300	132	643	349
Board RSUs	—	—	—	5
	<u>\$ 1,327</u>	<u>\$ 850</u>	<u>\$ 3,608</u>	<u>\$ 2,354</u>

**Note 11. Leases**

The Company has leases for office space and equipment in its corporate office and operating regions as well as warehouse space, vehicles, compressors and surface rentals related to its business operations. In addition, the Company has offshore Southern California pipeline right-of-way use agreements. Most of the Company's leases, other than its corporate office lease, have an initial term and may be extended on a month-to-month basis after expiration of the initial term. Most of the Company's leases can be terminated with 30-day prior written notice. The majority of its month-to-month leases are not included as a lease liability in its balance sheet because continuation of the lease is not reasonably certain. Additionally, the Company elected the short-term practical expedient to exclude leases with a term of twelve months or less. For the quarter ended September 30, 2023, all of the Company's leases qualified as operating leases and it did not have any existing or new leases qualifying as financing leases or variable leases.

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The Company's corporate office lease does not provide an implicit rate. To determine the present value of the lease payments, the Company uses its incremental borrowing rate based on the information available at the inception date. To determine the incremental borrowing rate, the Company applies a portfolio approach based on the applicable lease terms and the current economic environment. The Company uses a reasonable market interest rate for its office equipment and vehicle leases.

For the nine months ended September 30, 2023 and 2022, the Company recognized approximately \$ 1.6 million and \$ 1.1 million, respectively, of costs relating to the operating leases in the Unaudited Condensed Statements of Operations.

Supplemental cash flow information related to the Company's lease liabilities is included in the table below:

	For the Nine Months Ended	
	September 30,	
	2023	2022
(In thousands)		
Non-cash amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 1,352	\$ 4,118

The following table presents the Company's right-of-use assets and lease liabilities for the period presented:

	September 30, December 31,	
	2023 2022	
	(In thousands)	
Right-of-use asset	\$ 6,025	\$ 7,376
Lease liabilities:		
Current lease liability	1,599	1,401
Long-term lease liability	5,414	6,567
Total lease liability	\$ 7,013	\$ 7,968

The following table reflects the Company's maturity analysis of the minimum lease payment obligations under non-cancelable operating leases with a remaining term in excess of one year (in thousands):

	Office and warehouse leases	Leased vehicles and office equipment	Total
2023	\$ 349	\$ 223	\$ 572
2024	1,396	702	2,098
2025	1,396	490	1,886
2026	1,177	16	1,193
2027 and thereafter	2,553	—	2,553
Total lease payments	6,871	1,431	8,302
Less: interest	1,185	104	1,289
Present value of lease liabilities	<u>\$ 5,686</u>	<u>\$ 1,327</u>	<u>\$ 7,013</u>

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The weighted average remaining lease terms and discount rate for all of the Company's operating leases for the period presented:

	<u>September 30,</u>	
	<u>2023</u>	<u>2022</u>
Weighted average remaining lease term (years):		
Office and warehouse space	4.42	5.38
Vehicles	0.36	0.24
Office equipment	0.02	0.05
Weighted average discount rate:		
Office leases	5.16 %	5.31 %
Vehicles	1.19 %	0.58 %
Office equipment	0.09 %	0.13 %

**Note 12. Supplemental Disclosures to the Unaudited Condensed Consolidated Balance Sheets and Unaudited Condensed Consolidated Statements of Cash Flows**

**Accrued Liabilities**

Current accrued liabilities consisted of the following at the dates indicated (in thousands):

	<u>September 30,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>
Accrued liability - pipeline incident	\$ 8,862	\$ 20,832
Accrued lease operating expense	12,347	11,226
Accrued current income taxes	7,115	—
Accrued liability - current portion of pipeline incident settlement	2,000	4,888
Accrued capital expenditures	7,113	2,714
Accrued general and administrative expense	5,550	4,943
Accrued production and ad valorem tax	4,488	4,675
Accrued commitment fee and other expense	2,684	5,824
Operating lease liability	1,599	1,401
Asset retirement obligations	1,706	1,824
Accrued interest payable	1,884	87
Other	6	35
Accrued liabilities	<u>\$ 55,354</u>	<u>\$ 58,449</u>

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**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Accounts Receivable**

Accounts receivable consisted of the following at the dates indicated (in thousands):

	<u>September 30, December 31,</u>	
	<u>2023</u>	<u>2022</u>
Oil and natural gas receivables	\$ 31,904	\$ 35,083
Insurance receivable - pipeline incident	12,912	41,961
Joint interest owners and other	4,696	5,047
Total accounts receivable	49,512	82,091
Less: allowance for doubtful accounts	(1,648)	(1,636)
<b>Total accounts receivable, net</b>	<b>\$ 47,864</b>	<b>\$ 80,455</b>

**Supplemental Cash Flows**

Supplemental cash flows for the periods presented (in thousands):

	<u>For the Nine Months Ended</u>	
	<u>September 30,</u>	<u>2023</u>
Supplemental cash flows:		
Cash paid for interest, net of amounts capitalized	\$ 8,142	\$ 7,597
Cash paid for taxes	5,725	35
Noncash investing and financing activities:		
Increase (decrease) in capital expenditures in payables and accrued liabilities	5,880	4,606

**Note 13. Related Party Transactions**

**Related Party Agreements**

There have been no transactions between the Company and any related person in which the related person had a direct or indirect material interest for the three and nine months ended September 30, 2023 and 2022.

**Note 14. Commitments and Contingencies**

**Litigation and Environmental**

As part of our normal business activities, we may be named as defendants in litigation and legal proceedings, including those arising from regulatory and environmental matters.

Although the Company is insured against various risks to the extent it believes it is prudent, there is no assurance that the nature and amount of such insurance will be adequate, in every case, to indemnify it against liabilities arising from future legal proceedings.

At September 30, 2023 and December 31, 2022, the Company had no environmental reserves recorded in its Unaudited Condensed Consolidated Balance Sheet.

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***Southern California Pipeline Incident***

On August 25, 2022, the Company reached an agreement in principle with plaintiffs in a putative class action pending in the United States District Court for the Central District of California to resolve all civil claims against the Company and its subsidiaries related to the Incident. The settlement of \$ 50.0 million, which also includes certain injunctive relief, will be funded under the Company's insurance policies. The Court preliminarily approved the settlement on December 7, 2022 and granted final approval on April 24, 2023.

On August 26, 2022, the Company reached an agreement with the United States government, which the court has approved, to resolve all federal criminal matters involving the Company and its subsidiaries stemming from Incident. As part of the resolution with the United States, the Company agreed to plead guilty to one count of misdemeanor negligent discharge of oil in violation of the Clean Water Act. The Company will pay a fine of approximately \$ 7.1 million in installments over a period of three years, serve a term of four years' probation and reimburse governmental agencies approximately \$ 5.8 million for their response to this event. The Company also has agreed to implement certain compliance measures including installation of a new leak detection system and increased Remote Operated Vehicle inspections of the pipeline. As of September 30, 2023, the Company recorded \$ 2.0 million in "Accrued liability – pipeline incident" and \$ 1.1 million in "Other long-term liabilities" for the remaining payments related to this settlement on its Unaudited Condensed Consolidated Balance Sheet.

On September 8, 2022, the Company reached an agreement with the state of California to resolve all related state criminal matters. As part of the resolution with the state of California, which also has court approval, the Company agreed to enter a plea of No Contest to six misdemeanor charges. The Company will pay a fine in the amount of \$ 4.9 million to be distributed among the state of California, including the State's Fish and Game Preservation Fund, and Orange County. The Company also will serve a one-year term of probation and has agreed to certain compliance enhancements to its operations.

On March 1, 2023, the Company announced that the vessels that struck and damaged the pipeline and their respective owners and operators agreed to pay the Company \$ 96.5 million in a settlement. The Marine Exchange of Los Angeles-Long Beach Harbor (the "Marine Exchange") agreed to non-monetary terms as well. The overall resolution included subrogation claims by Amplify's property damage and loss of production income ("LOPI") insurers, with Amplify ultimately receiving a net payment of approximately \$ 85.0 million. The settlement resolved Amplify's affirmative claims related to the Incident. As part of the settlement, Amplify dismissed its legal claims against those parties.

The Company is also participating in a related claims process organized under the Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq. ("OPA 90"). Under OPA 90, a party alleged to be responsible for a discharge of oil is required to establish a claims process to pay for interim costs and damages as a result of the discharge. The OPA 90 claims process remains ongoing.

Future litigation may be necessary, among other things, to defend the Company by determining the scope, enforceability, and validity of claims. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on the Company because of defense and settlement costs, diversion of management resources, and other factors.

For further information regarding the Incident, please see Note 16.

***Minimum Volume Commitment***

The Company was party to a gas purchase, gathering and processing contract in Oklahoma, which included certain minimum NGL commitments. To the extent the Company did not deliver natural gas volumes in sufficient quantities to generate, when processed, the minimum levels of recovered NGLs, it was required to reimburse the counterparty an amount equal to the sum of the monthly shortfall, if any, multiplied by a fee. The commitment fee expense for the nine months ended September 30, 2023 and 2022 was approximately \$ 0.3 million and \$ 1.5 million, respectively. The minimum volume commitment for the Oklahoma properties ended on June 30, 2023.

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***Sinking Fund Trust Agreement***

Beta Operating Company, LLC ("Beta"), a wholly owned subsidiary, assumed an obligation with a third party to make payments into a sinking fund in connection with its 2009 acquisition of the Company properties in federal waters offshore Southern California, the purpose of which is to provide funds adequate to decommission the portion of the San Pedro Bay Pipeline that lies within state waters and the surface facilities. Under the terms of the agreement, the operator of the properties is obligated to make monthly deposits into the sinking fund account in an amount equal to \$ 0.25 per barrel of oil and other liquid hydrocarbon produced from the acquired working interest. Interest earned in the account stays in the account. The obligation to fund ceases when the aggregate value of the account reaches \$ 4.3 million. As of September 30, 2023, the account balance included in restricted investments was approximately \$ 4.4 million.

***Supplemental Bond for Decommissioning Liabilities Trust Agreement***

Beta has a decommissioning obligation with BOEM in connection with its 2009 acquisition of the Company's properties in federal waters offshore Southern California. The Company supports its decommissioning obligation with \$ 161.3 million of A-rated surety bonds.

In December 2021, the Company entered into two escrow funding agreements with its surety providers to fund interest-bearing escrow accounts on a quarterly basis to reimburse and indemnify the surety providers for any claims arising under the surety bonds related to the decommissioning of our Beta properties. The obligation ceases when the aggregate value of the escrow accounts reaches \$ 172.6 million. As of September 30, 2023, the Company has funded \$ 13.0 million into the escrow accounts which is reflected in "Restricted investments" on the Unaudited Condensed Consolidated Balance Sheet.

**Note 15. Income Taxes**

Net deferred tax assets relate to net operating loss carryforwards, interest expense carryforwards, tax credits, and other temporary differences expected to produce tax deductions in future periods. The realization of these assets depends on recognition of sufficient future taxable income in specific federal and state tax jurisdictions in which those temporary differences are deductible. In assessing the need for a valuation allowance on its deferred tax assets, the Company considers whether it is more likely than not that some portion of or all its deferred tax assets will not be realized. On December 31, 2022, the Company valuation allowance was \$ 284.9 million, which offset all net deferred tax assets as of such date.

As of each reporting date, management considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets. The assessment considers all available information including historical and forecasted taxable income and operating history. The three months ended March 31, 2023 marked the first time that the Company had achieved three years of cumulative book income. Furthermore, management determined that the Company's ability to maintain long-term profitability despite near-term changes in commodity prices and capital and operating costs demonstrated that there is sufficient positive evidence to conclude that it is more likely than not that all net deferred tax asset is realizable. As a result of the Company's assessment, the Company released substantially all of its valuation allowance previously recorded. The result of the valuation allowance release for the nine months ended September 30, 2023 was a tax benefit of \$ 278.8 million.

The Company's current income tax (expense) benefit was (\$ 1.4 ) million and (\$ 7.1 ) million for the three and nine months ended September 30, 2023, respectively. No current income tax expense was recorded for the three and nine months ended September 30, 2022. The Company's deferred income tax benefit (expense) was \$ 4.7 million and \$ 264.1 million for the three and nine months ended September 30, 2023, respectively. No deferred income tax benefit was recorded for the three and nine months ended September 30, 2022. The effective tax rates for the three and nine months ended September 30, 2023 were 19.6 % and ( 278.9 %), respectively. The effective tax rate was 0 % for the three and nine months ended September 30, 2022. The item that had the most significant impact on the difference between the statutory U.S. federal income tax rate of 21 % and the effective tax rate for the three and nine months ended September 30, 2023 was the release of the valuation allowance. The items that had the most significant impact on the difference between the statutory U.S. federal income tax rate of 21 % and the effective tax rate for the three and nine months ended September 30, 2022, was primarily due to our recorded valuation allowances.

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**Note 16. Southern California Pipeline Incident**

On October 2, 2021, contractors operating under the direction of Beta Operating Company, LLC, a subsidiary of the Company, observed an oil sheen on the water approximately four miles off the coast of Newport Beach, California (the "Incident"). Beta platform personnel were notified and promptly initiated the Company's Oil Spill Response Plan, which was reviewed and approved by the Bureau of Safety and Environmental Enforcement's (the "BSEE") Oil Spill Preparedness Division within the United States Department of the Interior, and which included the required notifications of specified regulatory agencies. On October 3, 2021, a Unified Command, consisting of the Company, the U.S. Coast Guard and California Department of Fish and Wildlife's Office of Spill Prevention and Response, was established to respond to the Incident.

On October 5, 2021, the Unified Command announced that reports from its contracted commercial divers and Remotely Operated Vehicle footage indicated that a 4,000 -foot section of the Company's pipeline had been displaced with a maximum lateral movement of approximately 105 feet and that the pipeline had a 13 -inch split, running parallel to the pipe. On October 14, 2021, the U.S. Coast Guard announced that it had a high degree of confidence the size of the release was approximately 588 barrels of oil, which was below the previously reported maximum estimate of 3,134 barrels. On October 16, 2021, the U.S. Coast Guard announced that it had identified the Mediterranean Shipping Company (DANIT) as a "vessel of interest" and its owner Dordellas Finance Corporation and operator Mediterranean Shipping Company, S.A. as parties in interest in connection with an anchor-dragging incident, in January 2021 (the "Anchor Dragging Incident"), which occurred in close proximity to the Company's pipeline, and that additional vessels of interest continued to be investigated. On November 19, 2021, the U.S. Coast Guard announced that it had identified the COSCO (Beijing) as another vessel involved in the Anchor Dragging Incident and named its owner Capetanissa Maritime Corporation of Liberia and its operator V.Ships Greece Ltd. as parties in interest. The cause, timing and details regarding the Incident remain under investigation.

At the height of the Incident response, the Company deployed over 1,800 personnel working under the guidance and at the direction of the Unified Command to aid in cleanup operations. As of October 14, 2021, all beaches that had been closed following the Incident have reopened. On February 2, 2022, the Unified Command announced that response and monitoring efforts have officially concluded for the Incident, and Unified Command would stand down as of such date. Amplify is grateful to its Unified Command partners for their collaboration and professionalism over the course of the response.

In response to the Incident, all operations were suspended and the pipeline was shut-in pending the Company's receipt of the required regulatory approvals to restart operations. On October 4, 2021, the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), Office of Pipeline Safety issued a Corrective Action Order pursuant to 49 U.S.C. § 60112, which makes clear that no restart of the affected pipeline may occur until PHMSA has approved a written restart plan. On April 10, 2023, the Company announced that it has received the required approvals from federal regulatory agencies to restart operations at the Beta Field. The pipeline will be operated in accordance with the restart procedures that were reviewed and approved by PHMSA.

On December 15, 2021, a federal grand jury in the Central District of California returned a federal criminal indictment against Amplify Energy Corp., Beta Operating Company, LLC, and San Pedro Bay Pipeline Company in connection with the Incident. The indictment alleges that the Company committed a misdemeanor violation of the federal Clean Water Act for negligently discharging oil into the contiguous zone of the United States. As previously disclosed, state authorities were conducting parallel criminal investigations. The Company has reached court-approved agreements to resolve all criminal matters stemming from the Incident. Specifically, on August 26, 2022, as part of the resolution with the United States, the Company agreed to plead guilty to one count of misdemeanor negligent discharge of oil in violation of the Clean Water Act. The Company will pay a fine of approximately \$ 7.1 million in installments over a period of three years , serve a term of four years ' probation and reimburse governmental agencies approximately \$ 5.8 million for their response to this event. Further, on September 8, 2022, as part of the resolution with the state of California, the Company agreed to enter a plea of No Contest to six misdemeanor charges. The Company paid a fine in the amount of \$ 4.9 million to be distributed among the state of California, including the State's Fish and Game Preservation Fund, and Orange County. The Company will serve a one-year term of probation and has agreed to certain compliance enhancements to its operations.

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The Company is currently subject to a number of ongoing investigations related to the Incident by certain federal and state agencies. To date, the U.S. Coast Guard, the U.S. Bureau of Ocean Energy Management, the U.S. Department of Justice, PHMSA, the U.S. Department of the Interior Bureau of Safety and Environmental Enforcement, the National Transportation Safety Board, the California Department of Justice, the Orange County District Attorney, the Los Angeles County District Attorney, and the California Department of Fish & Wildlife have conducted or are conducting investigations or examinations of the Incident. On April 8, 2022, in light of the allegations raised in the December 15, 2021 federal indictment, the Company received a Show Cause Notice from the EPA asking the Company to provide information as to why it should not be suspended from participating in future federal contracting pursuant to 2 C.F.R. § 180.700(a), (c) and 2 C.F.R. § 180.800(a)(4). On April 22, 2022, the Company responded to the Show Cause Notice. On September 9, 2022, the EPA informed the Company's counsel that the EPA has administratively closed the case at this time, and as such, the Company is no longer under a Show Cause Notice. On April 6, 2023, PHMSA provided the Company notice of PHMSA's positions regarding "probable violations of the Pipeline Safety Regulations" in connection with the Incident; the Company has responded to that notice with the Company's positions and is conferring with PHMSA regarding a resolution. Other federal agencies may or have commenced investigations and proceedings, and may initiate enforcement actions seeking penalties and other relief under the Clean Water Act and other statutes. Amplify continues to comply with all regulatory requirements and investigations. The outcomes of these investigations and the nature of any remedies pursued will depend on the discretion of the relevant authorities and may result in regulatory or other enforcement actions, as well as civil liability.

The Company, Beta Operating Company, LLC, and San Pedro Bay Pipeline Company were named as defendants in a consolidated putative class action in the United States District Court for the Central District of California. Plaintiffs filed a consolidated class action complaint on January 28, 2022 and an amended complaint on March 21, 2022. Plaintiffs asserted claims against the Company, Beta Operating Company, LLC, San Pedro Bay Pipeline Company, MSC Mediterranean Shipping Company, Dordellas Finance Corp., the MSC Danit (proceeding in rem), Costamare Shipping Co. S.A., Capetanissa Maritime Corporation of Liberia, V.Ships Greece Ltd., and the COSCO Beijing (proceeding in rem). The Company filed a third-party complaint on February 28, 2022, an amended complaint on June 21, 2022, and second amended complaint on October 5, 2022. The Company sued the same shipping defendants as had Plaintiffs and added claims against the Marine Exchange, COSCO Shipping Lines Co. Ltd., COSCO (Cayman) Mercury Co. Ltd., Mediterranean Shipping Company S.r.l., and MSC Shipmanagement Limited.

MSC Mediterranean Shipping Company, Dordellas Finance Corp., and Capetanissa Maritime Corporation of Liberia also filed petitions for limitations of liability under maritime law in the United States District Court for the Central District of California. The court consolidated the limitation actions into a single limitation action and also coordinated discovery between the consolidated limitation and the consolidated class actions. On April 17, 2023, the Court stayed the Limitation Action pending the documentation and approval of certain settlements that are expected to fully resolve the Limitation Action.

On August 25, 2022, the Company reached an agreement in principle with plaintiffs in the class action to resolve all civil claims against it and its subsidiaries. The settlement of \$ 50.0 million, which also includes certain injunctive relief, will be funded under the Company's insurance policies. The Court preliminarily approved the settlement on December 7, 2022 and granted final approval on April 24, 2023.

On March 1, 2023, the Company announced that the vessels that struck and damaged the pipeline and their respective owners and operators agreed to pay the Company \$ 96.5 million in a settlement. The Marine Exchange agreed to non-monetary terms as well. The overall resolution included subrogation claims by Amplify's property damage and LOPI insures, with Amplify ultimately receiving a net payment of approximately \$ 85.0 million. The settlement resolved Amplify's affirmative claims related to the Incident. As part of the settlement, Amplify dismissed its legal claims against those parties.

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Under the OPA 90, the Company's pipeline was designated by the U.S. Coast Guard as the source of the oil discharge and therefore the Company is financially responsible for remediation and for certain costs and economic damages as provided for in OPA 90, as well as certain natural resource damages associated with the spill and certain costs determined by federal and state trustees engaged in a joint assessment of such natural resource damages. The Company is currently processing covered claims under OPA 90 as expeditiously as possible. In addition, the Natural Resource Damage Assessment remains ongoing and therefore the extent, timing and cost related to such assessment are difficult to project. While the Company anticipates insurance will reimburse it for expenses related to the Natural Resource Damage Assessment, any potentially uncovered expenses may be material and could impact the Company's business and results of operations and could put pressure on its liquidity position going forward.

Based on presently enacted laws and regulations and currently available facts, the Company estimates that the total costs it has incurred or will incur with respect to the Incident to be approximately \$ 190.0 million to \$ 210.0 million, which includes (i) actual and projected response and remediation under the direction of the Unified Command, (ii) fines and penalties of \$ 12.0 million resulting from the resolution of the federal and state of California matters discussed above, and (iii) certain legal fees.

The range of total costs is based on the Company's assumptions regarding (i) settlement of costs associated with certain vendors for response and remediation expenses, (ii) resolution of certain third-party claims, excluding claims with respect to losses, which are not probable or reasonably estimable, and (iii) future claims and lawsuits. While the Company believes it has accurately reflected all probable and reasonably estimable costs incurred in the Company's Unaudited Consolidated Statements of Operations, these estimates are subject to uncertainties associated with the underlying assumptions. For example, settlements with vendors for response and remediation expenses may be significantly higher or lower than the Company has currently estimated. Accordingly, as the Company's assumptions and estimates may change in future periods based on future events, the Company can provide no assurance that total costs will not materially change in future periods.

The Company's estimates do not include (i) the nature, extent and cost of future legal services that will be required in connection with all lawsuits, claims and other matters requiring legal or expert advice associated with the Incident, (ii) any lost revenue associated with the suspension of operations at Beta, (iii) any liabilities or costs, including regulatory costs, that are not reasonably estimable at this time or that relate to contingencies where the Company currently regards the likelihood of loss as being only reasonably possible or remote and (iv) the costs associated with the permanent repair of the pipeline and the restart of operations at Beta.

In accordance with customary insurance practice, the Company maintains insurance policies, including LOPI insurance, against many potential losses or liabilities arising from its operations and at costs that the Company believes to be economic. The Company regularly reviews its risk of loss and the cost and availability of insurance and revises its insurance accordingly. The Company's insurance does not cover every potential risk associated with its operations and is subject to certain exclusions and deductibles. While the Company expects its insurance policies will cover a material portion of the total aggregate costs associated with the Incident, including but not limited to response and remediation expenses, defense costs and loss of revenue resulting from suspended operations, it can provide no assurance that its coverage will adequately protect it against liability from all potential consequences, damages and losses related to the Incident and such view and understanding is preliminary and subject to change.

On September 30, 2023, and December 31, 2022, the Company's insurance receivables were \$ 12.9 million and \$ 42.0 million, respectively. Excluding the costs associated with the resolution of the federal and state matters discussed above, for the nine months ended September 30, 2023, the Company incurred response and remediation expenses and legal fees of \$ 26.7 million. Of these costs, the Company has received, or expects that it is probable that it will receive, \$ 11.1 million in insurance recoveries. The remaining amount of \$ 15.6 million, which primarily relates to certain legal costs that are not expected to be recovered under an insurance policy, are classified as "Pipeline Incident Loss" on the Company's Unaudited Condensed Consolidated Statements of Operations. For the nine months ended September 30, 2023, the Company received \$ 40.1 million in insurance recoveries.

Additionally, during the nine months ended September 30, 2023, the Company recognized \$ 17.9 million related to approved LOPI insurance proceeds, which is classified as "Other Revenues" in the Company's Unaudited Condensed Consolidated Statements of Operations.

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**Note 17. Subsequent Events**

***Borrowing Base Redetermination***

See Note 7 for additional information relating to the Company's borrowing base redetermination.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.**

*Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Unaudited Condensed Consolidated Financial Statements and accompanying notes in "Item 1. Financial Statements" contained herein and in "Item 1A. Risk Factors" of our Annual Report on the Form 10-K for the year ended December 31, 2022 ("2022 Form 10-K"). The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" in the front of this report.*

**Overview**

We operate in one reportable segment engaged in the acquisition, development, exploitation and production of oil and natural gas properties. Our management evaluates performance based on the reportable business segment as the economic environments are not different within the operation of our oil and natural gas properties. Our business activities are conducted through OLLC, our wholly owned subsidiary, and its wholly owned subsidiaries. Our assets consist primarily of producing oil and natural gas properties and are located in Oklahoma, the Rockies, federal waters offshore Southern California, East Texas/North Louisiana and the Eagle Ford. Our properties consist primarily of operated and non-operated working interests in producing and undeveloped leasehold acreage and working interests in identified producing wells.

**Industry Trends**

Commodity prices have decreased in 2023 when compared to the same period of 2022, and as a result, we experienced a decline in revenues. We continue to monitor the impact of the actions of the Organization of the Petroleum Exporting Countries and other large producing nations, the Russia-Ukraine conflict, conflicts in the Middle East, global inventories of oil and gas and the uncertainty associated with recovering oil demand, inflation and future monetary policy, and governmental policies aimed at transitioning towards lower carbon energy. We expect prices for some or all of the commodities to remain volatile. The COVID-19 pandemic, the Russia-Ukraine conflict and conflicts in the Middle East continue to evolve, and the extent to which these events may impact our business, results of operations, financial condition and cash flows will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

**Recent Developments**

***Certain Board of Director Appointments and Departures***

On October 3, 2023, the board of directors (the "Board") of the Company appointed Vidisha Prasad to the Board, effective immediately. Ms. Prasad was also appointed to the audit committee of the Board.

In addition, Randal T. Klein has informed the Board of his decision not to seek reelection as a director on the Board at the Company's 2024 Annual Meeting of Stockholders (the "2024 Annual Meeting"), Mr. Klein will continue to serve on the Board and the respective Board committees for the remainder of his term as a director until the 2024 Annual Meeting. Mr. Klein's decision not to stand for reelection was not due to any disagreements with the Company on any matter relating to the Company's operations, policies, or practices.

***Borrowing Base Redetermination***

On October 19, 2023, we completed the fall 2023 borrowing base redetermination, which reaffirmed the borrowing base of \$150.0 million with elected commitments of \$135.0 million. The next redetermination is expected to occur in the second quarter of 2024.

## **Business Environment and Operational Focus**

We use a variety of financial and operational metrics to assess the performance of our oil and natural gas operations, including: (i) production volumes; (ii) realized prices on the sale of our production; (iii) cash settlements on our commodity derivatives; (iv) lease operating expense; (v) gathering, processing and transportation; (vi) general and administrative expense; and (vii) Adjusted EBITDA (as defined below).

### **Sources of Revenues**

Our revenues are derived from the sale of natural gas and oil production, as well as the sale of NGLs that are extracted from natural gas during processing. Production revenues are derived entirely from the continental United States. Natural gas, NGL and oil prices are inherently volatile and are influenced by many factors outside our control. In order to reduce the impact of fluctuations in natural gas and oil prices on revenues, we intend to periodically enter into derivative contracts that fix the future prices received. At the end of each period, the fair value of these commodity derivative instruments is estimated and because hedge accounting is not elected, the changes in the fair value of unsettled commodity derivative instruments are recognized in earnings at the end of each accounting period.

### **Critical Accounting Policies and Estimates**

Our critical accounting policies and estimates, including a discussion regarding the estimation uncertainty and the impact that our critical accounting estimates have had, or are reasonably likely to have, on our financial condition or results of operations, are described in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2022 Form 10-K. Significant estimates include, but are not limited to, oil and natural gas reserves; fair value estimates; revenue recognition; and contingencies and insurance accounting. These estimates, in our opinion, are subjective in nature, require the use of professional judgment and involve complex analysis.

When used in the preparation of our consolidated financial statements, such estimates are based on our current knowledge and understanding of the underlying facts and circumstances and may be revised as a result of actions we take in the future. Changes in these estimates will occur as a result of the passage of time and the occurrence of future events. Subsequent changes in these estimates may have a significant impact on our consolidated financial position, results of operations and cash flows.

## Results of Operations

The results of operations for the three and nine months ended September 30, 2023 and 2022 have been derived from our unaudited condensed consolidated financial statements. The comparability of the results of operations among the periods presented below is impacted by the Incident and suspension of operations at our Beta properties.

The following table summarizes certain of the results of operations for the periods indicated.

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
(\$ in thousands except per unit amounts)				
Oil and natural gas sales	\$ 76,403	\$ 112,812	\$ 210,080	\$ 319,562
Other revenues	367	13,487	18,531	39,947
Lease operating expense	37,083	32,048	104,946	98,253
Gathering, processing and transportation	4,984	7,483	15,735	22,774
Taxes other than income	4,942	9,152	15,440	25,328
Depreciation, depletion and amortization	7,489	6,296	20,369	17,795
General and administrative expense	8,255	6,965	24,547	23,364
Loss (gain) on commodity derivative instruments	23,328	(3,300)	4,371	108,675
Pipeline incident loss	559	2,606	15,682	8,278
Pipeline incident settlement	—	12,000	—	12,000
Interest expense, net	4,470	3,974	13,908	9,499
Litigation settlement	—	—	84,875	—
Income tax (expense) benefit - current	(1,441)	—	(7,115)	—
Income tax (expense) benefit - deferred	4,708	—	264,130	—
Net income (loss)	(13,403)	47,234	349,172	27,840
<b>Oil and natural gas revenues:</b>				
Oil sales	\$ 57,214	\$ 54,394	\$ 146,780	\$ 165,686
NGL sales	7,777	11,704	21,973	38,789
Natural gas sales	11,412	46,714	41,327	115,087
Total oil and natural gas revenues	<u>\$ 76,403</u>	<u>\$ 112,812</u>	<u>\$ 210,080</u>	<u>\$ 319,562</u>
<b>Production volumes:</b>				
Oil (MBbls)	729	606	1,991	1,743
NGLs (MBbls)	334	355	984	1,041
Natural gas (MMcf)	5,006	5,844	15,573	17,079
Total (MBoe)	<u>1,897</u>	<u>1,935</u>	<u>5,569</u>	<u>5,630</u>
Average net production (MBoe/d)	<u>20.6</u>	<u>21.0</u>	<u>20.4</u>	<u>20.6</u>
<b>Average realized sales price (excluding commodity derivatives):</b>				
Oil (per Bbl)	\$ 78.45	\$ 89.82	\$ 73.72	\$ 95.05
NGL (per Bbl)	23.33	32.96	22.36	37.28
Natural gas (per Mcf)	2.28	7.99	2.65	6.74
Total (per Boe)	<u>\$ 40.28</u>	<u>\$ 58.31</u>	<u>\$ 37.72</u>	<u>\$ 56.76</u>
<b>Average unit costs per Boe:</b>				
Lease operating expense	\$ 19.54	\$ 16.56	\$ 18.84	\$ 17.45
Gathering, processing and transportation	2.63	3.87	2.83	4.05
Taxes other than income	2.60	4.73	2.77	4.50
General and administrative expense	4.35	3.60	4.41	4.15
Depletion, depreciation and amortization	3.95	3.25	3.66	3.16

**For the Three Months Ended September 30, 2023 Compared to the Three Months Ended September 30, 2022**

We reported a net loss of \$13.4 million and net income of \$47.2 million for the three months ended September 30, 2023 and 2022, respectively.

***Oil, natural gas and NGL revenues*** were \$76.4 million and \$112.8 million for the three months ended September 30, 2023 and 2022, respectively. Average net production volumes were approximately 20.6 MBoe/d and 21.0 MBoe/d for the three months ended September 30, 2023 and 2022, respectively. The average realized sales price was \$40.28 per Boe and \$58.31 per Boe for the three months ended September 30, 2023 and 2022, respectively. The decrease in revenue and average realized sales price was primarily due to lower commodity prices.

***Other revenues*** were \$0.4 million and \$13.5 million for the three months ended September 30, 2023 and 2022, respectively. The change in other revenues was primarily related to the termination of LOPI insurance proceeds.

***Lease operating expense*** was \$37.1 million and \$32.0 million for the three months ended September 30, 2023 and 2022, respectively. On a per Boe basis, lease operating expense was \$19.54 and \$16.56 for the three months ended September 30, 2023 and 2022, respectively. The change in lease operating expense was primarily driven by higher costs associated with the restart of operations at Beta.

***Gathering, processing and transportation expense*** was \$5.0 million and \$7.5 million for the three months ended September 30, 2023 and 2022, respectively. On a per Boe basis, gathering, processing and transportation expense was \$2.63 and \$3.87 for the three months ended September 30, 2023 and 2022, respectively. The decrease in gathering, processing and transportation expense was primarily driven by the expiration of the minimum volume commitment ("MVC") fee in East Texas/North Louisiana (November 2022) and Oklahoma (June 2023) and lower commodity prices.

***Taxes other than income*** were \$4.9 million and \$9.2 million for the three months ended September 30, 2023 and 2022, respectively. On a per Boe basis, taxes other than income were \$2.60 and \$4.73 for the three months ended September 30, 2023 and 2022, respectively. The decrease was primarily related to a reduction in production taxes due to lower commodity prices.

***DD&A*** expense was \$7.5 million and \$6.3 million for the three months ended September 30, 2023 and 2022, respectively. The change in DD&A expense was primarily driven by three months of production at Beta.

***General and administrative expenses*** were \$8.3 million and \$7.0 million for the three months ended September 30, 2023 and 2022, respectively. The change in general and administrative expense was primarily related to (i) an increase of \$0.5 million in stock compensation expense, (ii) an increase of \$0.3 million in salaries and other payroll benefits, and (iii) an increase of \$0.3 million in professional services.

***Net loss on commodity derivative instruments*** of \$23.3 million were recognized for the three months ended September 30, 2023, consisting of a \$3.9 million of cash settlements paid on expired positions, an increase of \$20.1 million in the fair value of open positions and \$0.7 million of cash settlements received on terminated derivative instruments. Net gain on commodity derivative instruments of \$3.3 million was recognized for the three months ended September 30, 2022, consisting of a \$44.1 million increase in the fair value of open positions and \$40.8 million of cash settlements paid on expired positions.

***Pipeline incident loss*** was \$0.5 million and \$2.6 million for the three months ended September 30, 2023 and 2022, respectively. The costs reflect certain expenses not expected to be recovered under an insurance policy. See Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

***Litigation settlement*** was not recorded for the three months ended September 30, 2023 and 2022.

**Interest expense, net** was \$4.5 million and \$4.0 million for the three months ended September 30, 2023 and 2022, respectively. The change in interest expense was primarily due to higher interest rates and the amortization and write-off of deferred issuance costs partially offset by lower debt outstanding during the period.

Average outstanding borrowings under our Revolving Credit Facility were \$121.8 million and \$214.9 million for the three months ended September 30, 2023 and 2022, respectively.

**Current income tax (expense) benefit** was (\$1.4) million for the three months ended September 30, 2023. See additional information discussed in Note 15 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report. No current income tax expense was recorded for the three months ended September 30, 2022.

**Deferred income tax benefit (expense)** was \$4.7 million for the three months ended September 30, 2023. Starting in the first quarter of 2023, we achieved three years of cumulative income which allowed the release of the valuation allowance. See additional information discussed in Note 15 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report. No deferred income tax benefit was recorded for the three months ended September 30, 2022.

**For the Nine Months Ended September 30, 2023 Compared to the Nine Months Ended September 30, 2022**

We reported net income of \$349.2 million and \$27.8 million for the nine months ended September 30, 2023 and 2022, respectively.

**Oil, natural gas and NGL revenues** were \$210.1 million and \$319.6 million for the nine months ended September 30, 2023 and 2022, respectively. Average net production volumes were approximately 20.4 MBoe/d and 20.6 MBoe/d for the nine months ended September 30, 2023 and 2022, respectively. The average realized sales price was \$37.72 per Boe and \$56.76 per Boe for the nine months ended September 30, 2023 and 2022, respectively. The decrease in revenue and average realized sales price was primarily due to lower commodity prices.

**Other revenues** were \$18.5 million and \$39.9 million for the nine months ended September 30, 2023 and 2022, respectively. The change in other revenues was primarily related to LOPI insurance proceeds of \$17.9 million for the nine months ended September 30, 2023 compared to \$39.6 million of LOPI proceeds for the nine months ended September 30, 2022.

**Lease operating expense** was \$104.9 million and \$98.3 million for the nine months ended September 30, 2023 and 2022, respectively. On a per Boe basis, lease operating expenses were \$18.84 and \$17.45 for the nine months ending September 30, 2023 and 2022, respectively. The change in lease operating expense was primarily related to higher costs associated with the restart of operations at Beta.

**Gathering, processing and transportation expense** was \$15.7 million and \$22.8 million for the nine months ended September 30, 2023 and 2022, respectively. On a per Boe basis, gathering, processing and transportation expenses were \$2.83 and \$4.05 for the nine months ending September 30, 2023 and 2022, respectively. The decrease in gathering, processing and transportation expense was primarily driven by the expiration of the MVC fee in East Texas/North Louisiana (November 2022) and in Oklahoma (June 2023) and lower commodity prices.

**Taxes other than income** were \$15.4 million and \$25.3 million for the nine months ended September 30, 2023 and 2022, respectively. On a per Boe basis, taxes other than income were \$2.77 and \$4.50 for the nine months ended September 30, 2023 and 2022, respectively. The decrease was primarily related to a reduction in production taxes due to lower commodity prices. In addition, we received a \$0.4 million from a one-time positive severance tax adjustment related to our non-operated Eagle Ford operations.

**DD&A expense** was \$20.4 million and \$17.8 million for the nine months ended September 30, 2023 and 2022, respectively. The increase in DD&A expense was primarily driven by production at Beta.

**General and administrative expenses** were \$24.5 million and \$23.4 million for the nine months ended September 30, 2023 and 2022, respectively. The change in general and administrative expenses was primarily related to (i) an increase of \$1.2 million in salaries and other payroll benefits and (ii) an increase of \$1.3 million in stock compensation expense, partially offset by a decrease of \$1.1 million in professional services.

**Net loss on commodity derivative instruments** of \$4.4 million were recognized for the nine months ended September 30, 2023, consisting of less than \$0.1 million increase in the fair value of open positions, \$0.7 million of cash settlement received on terminated derivative instruments partially offset by \$5.1 million of cash settlements paid on expired positions. Net loss on commodity derivative instruments of \$108.7 million was recognized for the nine months ended September 30, 2022, consisting of a \$11.6 million increase in the fair value of open positions and \$120.3 million of cash settlements paid on expired positions.

**Pipeline incident loss** was \$15.7 million and \$8.3 million for the nine months ended September 30, 2023 and 2022, respectively. The costs reflect certain expenses not expected to be recovered under an insurance policy. See Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

**Litigation settlement** was \$84.9 million for the nine months ended September 30, 2023, related to the settlement with the shipping companies related to the containerships' anchor strikes of the Company's pipeline. See additional information discussed in Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report. No litigation settlement was recorded for the nine months ended September 30, 2022.

**Interest expense, net** was \$13.9 million and \$9.5 million for the nine months ended September 30, 2023 and 2022, respectively. The change in interest expense was primarily driven by (i) higher interest rates, (ii) amortization and write-off of deferred issuance cost, and (iii) the change in interest rate swaps.

Average outstanding borrowings under our Revolving Credit Facility were \$145.8 million and \$220.7 million for the nine months ended September 30, 2023 and 2022, respectively.

**Current income tax (expense) benefit** was (\$7.1) million for the nine months ended September 30, 2023. See additional information discussed in Note 15 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report. No current income tax expense was recorded for the nine months ended September 30, 2022.

**Deferred income tax benefit (expense)** was \$264.1 million for the nine months ended September 30, 2023. Starting in the first quarter of 2023, we achieved three years of cumulative income which allowed the release of the valuation allowance. See additional information discussed in Note 15 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report. No deferred income tax benefit was recorded for the nine months ended September 30, 2022.

#### **Adjusted EBITDA**

We include in this report the non-GAAP financial measure of Adjusted EBITDA and provide our reconciliation of Adjusted EBITDA to net income (loss) and net cash flows from operating activities, our most directly comparable financial measures calculated and presented in accordance with GAAP. We define Adjusted EBITDA as net income (loss):

*Plus:*

- Interest expense;
- Income tax expense;
- DD&A;

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- Impairment of goodwill and long-lived assets (including oil and natural gas properties);
- Accretion of AROs;
- Loss on commodity derivative instruments;
- Cash settlements received on expired commodity derivative instruments;
- Amortization of gain associated with terminated commodity derivatives;
- Losses on sale of assets;
- Share-based compensation expenses;
- Exploration costs;
- Acquisition and divestiture related expenses;
- Reorganization items, net;
- Severance payments; and
- Other non-routine items that we deem appropriate.

*Less:*

- Interest income;
- Income tax benefit;
- Gain on commodity derivative instruments;
- Cash settlements paid on expired commodity derivative instruments;
- Gains on sale of assets and other, net; and
- Other non-routine items that we deem appropriate.

We believe Adjusted EBITDA is useful because it allows us to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure.

Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income (loss) or cash flows from operating activities as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. We believe that Adjusted EBITDA is a widely followed measure of operating performance and may also be used by investors to measure our ability to meet debt service requirements.

In addition, we use Adjusted EBITDA to evaluate actual cash flow available to develop existing reserves or acquire additional oil and natural gas properties.

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The following tables present our reconciliation of the Company's net income (loss) and cash flows from operating activities to Adjusted EBITDA, our most directly comparable GAAP financial measures, for each of the periods indicated.

**Reconciliation of Net Income (Loss) to Adjusted EBITDA**

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
(In thousands)				
Net income (loss)	\$ (13,403)	\$ 47,234	\$ 349,172	\$ 27,840
Interest expense, net	4,470	3,974	13,908	9,499
Income tax expense (benefit) - current	1,441	—	7,115	—
Income tax expense (benefit) - deferred	(4,708)	—	(264,130)	—
DD&A	7,489	6,296	20,369	17,795
Accretion of AROs	2,005	1,773	5,922	5,242
Losses (gains) on commodity derivative instruments	23,328	(3,300)	4,371	108,675
Cash settlements (paid) received on expired commodity derivative instruments	(3,890)	(40,771)	(5,082)	(120,310)
Pipeline incident loss	559	2,606	15,682	8,278
Pipeline incident settlement	—	12,000	—	12,000
Litigation settlement	—	—	(84,875)	—
Share-based compensation expense	1,327	850	3,608	2,346
Loss on settlement of AROs	449	93	688	508
Exploration costs	—	—	40	26
Acquisition and divestiture related expenses	216	—	216	41
Bad debt expense	12	(5)	97	1
LOPI - timing difference	—	—	(4,636)	—
Other	188	—	376	—
<b>Adjusted EBITDA</b>	<b>\$ 19,483</b>	<b>\$ 30,750</b>	<b>\$ 62,841</b>	<b>\$ 71,941</b>

**Reconciliation of Net Cash from Operating Activities to Adjusted EBITDA**

	For the Three Months Ended		For the Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
(In thousands)				
Net cash provided by operating activities	\$ 18,007	\$ 18,934	\$ 113,228	\$ 49,330
Changes in working capital	(4,985)	(6,801)	2,443	(9,010)
Interest expense, net	4,470	3,974	13,908	9,499
Pipeline incident loss	559	2,606	15,682	8,278
Pipeline incident settlement	—	12,000	—	12,000
Litigation settlement	—	—	(84,875)	—
Income tax expense (benefit) - current	1,441	—	7,115	—
Amortization and write-off of deferred financing fees	(908)	(133)	(1,679)	(469)
Exploration costs	—	—	40	26
Gain (loss) on interest rate swaps	—	87	—	930
Cash settlements paid (received) on interest rate swaps	—	(171)	—	136
Cash settlements paid (received) on terminated derivatives	(658)	—	(658)	—
Plugging and abandonment cost	1,153	254	1,681	1,058
Acquisition and divestiture related expenses	216	—	216	41
LOPI - timing difference	—	—	(4,636)	—
Other	188	—	376	122
<b>Adjusted EBITDA</b>	<b>\$ 19,483</b>	<b>\$ 30,750</b>	<b>\$ 62,841</b>	<b>\$ 71,941</b>

## Liquidity and Capital Resources

**Overview.** Our ability to finance our operations, including funding capital expenditures and acquisitions, to meet our indebtedness obligations, to refinance our indebtedness or to meet our collateral requirements will depend on our ability to generate cash in the future. Our primary sources of liquidity and capital resources have historically been cash flows generated by operating activities and borrowings under our Revolving Credit Facility. As we pursue reserve and production growth, we plan to monitor which capital resources, including equity and debt financings, are available to us to meet our future financial obligations, planned capital expenditure activities and liquidity requirements. Based on our current oil and natural gas price expectations, we believe our cash flows provided by operating activities and availability under our New Credit Facility will provide us with the financial flexibility necessary to meet our cash requirements, including normal operating needs, and to pursue our currently planned 2023 development activities. However, future cash flows are subject to a number of variables, including the level of our oil and natural gas production and the prices we receive for our oil and natural gas production, and significant additional capital expenditures will be required to more fully develop our properties. We cannot assure you that operations and other needed capital will be available on acceptable terms, or at all. For the remainder of 2023, we expect our primary funding sources to be from internally generated cash flow, borrowings under our New Credit Facility, and equity and debt capital markets.

**Impact of the Southern California Pipeline Incident.** We have incurred and will continue to incur certain costs as a result of the Incident.

We carry customary insurance policies, which have covered a material portion of the aggregate costs, including LOPI insurance, to offset loss of revenue resulting from suspended operations in Southern California. LOPI coverage specific to the Incident expired on March 31, 2023. We can provide no assurance that our coverage will adequately protect us against liability from all potential consequences, damages and losses related to the Incident.

In connection with the settlement between the Company and the vessels that struck and damaged the pipeline and their respective owners and operators, the Company received a net payment of approximately \$85.0 million. Proceeds from the settlement have been used to reduce debt outstanding under the Company's Revolving Credit Facility and to enhance liquidity.

**Capital Markets.** We do not currently anticipate any near-term capital markets activity, but we will continue to evaluate the availability of public debt and equity for funding potential future growth projects and acquisition activity.

**Hedging.** Commodity hedging has been and remains an important part of our strategy to reduce cash flow volatility. Our hedging activities are intended to support oil, NGL and natural gas prices at targeted levels and to manage our exposure to commodity price fluctuations. We intend to enter into commodity derivative contracts at times and on terms desired to maintain a portfolio of commodity derivative contracts covering at least 50% - 75% of our estimated production from total proved developed producing reserves over a one-to-three-year period at any given point of time. We may, however, from time to time, hedge more or less than this approximate amount. Additionally, we may take advantage of opportunities to modify our commodity derivative portfolio to change the percentage of our hedged production volumes when circumstances suggest that it is prudent to do so. The current market conditions may also impact our ability to enter into future commodity derivative contracts.

We evaluate counterparty risks related to our commodity derivative contracts and trade credit. Should any of these financial counterparties not perform, we may not realize the benefit of some of our hedges under lower commodity prices. We sell our oil and natural gas to a variety of purchasers. Non-performance by a customer could also result in losses.

**Valuation Allowance.** Net deferred tax assets relate to net operating loss carryforwards, interest expense carryforwards, tax credits, and other temporary differences expected to produce tax deductions in future periods. The realization of these assets depends on recognition of sufficient future taxable income in specific federal and state tax jurisdictions in which those temporary differences are deductible. In assessing the need for a valuation allowance on our deferred tax assets, we consider whether it is more likely than not that some portion of or all our deferred tax assets will not be realized. On December 31, 2022, our valuation allowance was \$284.9 million, which offset all net deferred tax assets as of such date.

As of each reporting date, management considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets. The assessment considers all available information including historical and forecasted taxable income and operating history. The three months ended March 31, 2023 marked the first time that we had achieved three years of cumulative income. Furthermore, management determined that our ability to maintain long-term profitability despite near-term changes in commodity prices and capital and operating costs demonstrated that there is sufficient positive evidence to conclude that it is more likely than not that all net deferred tax asset is realizable. As a result of our assessment, during the quarter ended September 30, 2023, we released substantially all of our valuation allowance previously recorded. The result of the valuation allowance release during the nine months ended September 30, 2023 was a tax benefit of \$278.8 million.

**Capital Expenditures.** Our total capital expenditures were approximately \$26.6 million for the nine months ended September 30, 2023, which were primarily related to capital workovers and facilities upgrades located in Oklahoma and California and non-operated drilling and completion activities in the Eagle Ford.

**Working Capital.** Working capital is the amount by which current assets exceed current liabilities. Our working capital requirements are primarily driven by changes in accounts receivable and accounts payable, as well as the classification of our debt outstanding. These changes are impacted by changes in the prices of commodities that we buy and sell. In general, our working capital requirements increase in periods of rising commodity prices and decrease in periods of declining commodity prices. However, our working capital needs do not necessarily change at the same rate as commodity prices because both accounts receivable and accounts payable are impacted by the same commodity prices. In addition, the timing of payments received by our customers or paid to our suppliers can also cause fluctuations in working capital because we settle with most of our larger customers on a monthly basis and often near the end of the month. We expect that our future working capital requirements will be impacted by these same factors.

As of September 30, 2023, we had a working capital deficit (excluding commodity derivatives) of \$17.0 million primarily due to accrued liabilities of \$55.4 million, revenues payable of \$21.2 million, and accounts payable of \$18.7 million partially offset by accounts receivable of \$47.9 million, prepaid expenses of \$24.0 million and cash on hand of \$6.4 million.

#### **Debt Agreement**

**Revolving Credit Facility.** On November 2, 2018, OLLC, as borrower, entered into the Revolving Credit Facility (as amended and supplemented to date). KeyBank National Association serves as the administrative agent.

On July 31, 2023, OLLC and Acquisitionco entered into the New Credit Facility. The New Credit Facility is a replacement in full of the prior Revolving Credit Facility. The aggregate principal amount of loans outstanding under the New Credit Facility as of September 30, 2023, was \$120.0 million.

As of September 30, 2023, we had approximately \$15.0 million of available borrowings under our New Credit Facility.

As of September 30, 2023, we were in compliance with all the financial (current ratio and total leverage ratio) and non-financial covenants associated with the New Credit Facility.

**Subsequent Event.** On October 19, 2023, we completed the fall 2023 borrowing base redetermination, which reaffirmed the borrowing base of \$150.0 million with elected commitments of \$135.0 million. The next redetermination is expected to occur in the second quarter of 2024.

For additional information regarding our Revolving Credit Facility and New Credit Facility, see Note 7 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

#### **Material Cash Requirements**

**Contractual Commitments.** We have contractual commitments under our debt agreements, including interest payments and principal payments. See Note 7 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

**Lease Obligations.** We have operating leases for office and warehouse spaces, office equipment, compressors and surface rentals related to our business obligations. See Note 11 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

**Sinking Fund Payments.** We have a funding requirement to fund a trust account to comply with supplemental regulatory bonding requirements related to our decommissioning obligations for our offshore Southern California production facilities. As of September 30, 2023, our future commitment under this agreement was \$2.0 million for the remainder of 2023, and \$15.8 million per year for years 2024 through 2033. See Note 14 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

#### **Cash Flows from Operating, Investing and Financing Activities**

The following table summarizes our cash flows from operating, investing and financing activities for the periods indicated. The cash flows for the nine months ended September 30, 2023 and 2022 have been derived from our Unaudited Condensed Consolidated Financial Statements. For information regarding the individual components of our cash flow amounts, see our Unaudited Condensed Consolidated Statements of Cash Flows included under "Item 1. Financial Statements" of this quarterly report.

	<b>For the Nine Months Ended</b>	
	<b>September 30,</b>	
	<b>2023</b>	<b>2022</b>
(In thousands)		
Net cash provided by operating activities	\$ 113,228	\$ 49,330
Net cash used in investing activities	(29,965)	(31,553)
Net cash used in financing activities	(76,876)	(25,632)

**Operating Activities.** Key drivers of net operating cash flows are commodity prices, production volumes and operating costs. Net cash provided by operating activities was \$113.2 million and \$49.3 million for the nine months ended September 30, 2023 and 2022, respectively. Production volumes were approximately 20.4 MBoe/d and 20.6 MBoe/d for the nine months ended September 30, 2023 and 2022, respectively. The average realized sales price was \$37.72 per Boe and \$56.76 per Boe for the nine months ended September 30, 2023 and 2022, respectively. The change in average realized sales price was primarily due to lower commodity prices.

For the nine months ended September 30, 2023, we received \$84.9 million in connection with the settlement between the Company and the vessels that struck and damaged the pipeline and their respective owners and operators.

Net cash provided by operating activities for the nine months ended September 30, 2023 included \$5.1 million of cash paid on expired commodity derivative instruments and \$0.7 million of cash received on terminated derivatives compared to \$120.3 million of cash paid on expired commodity derivatives for the nine months ended September 30, 2022. For the nine months ended September 30, 2023, we had net losses on commodity derivative instruments of \$4.4 million compared to net losses of \$108.7 million for the nine months ended September 30, 2022.

**Investing Activities.** Net cash used in investing activities for the nine months ended September 30, 2023 was \$30.0 million, of which \$23.1 million was used for additions to oil and natural gas properties. Net cash provided by investing activities for the nine months ended September 30, 2022 was \$31.6 million, of which \$26.2 million was used for additions to oil and natural gas properties.

Various restricted investment accounts fund certain long-term contractual and regulatory asset retirement obligations and collateralize certain regulatory bonds associated with our offshore Southern California properties. Additions to restricted investments were \$6.4 million and \$5.4 million during the nine months ended September 30, 2023 and 2022, respectively.

**Financing Activities.** We had net repayments of \$70.0 million and \$25.0 million for the nine months ended September 30, 2023 and 2022, respectively, related to our Revolving Credit Facility.

For the nine months ended September 30, 2023, we paid \$4.7 million in deferred financing costs under the New Credit Facility.

**Off-Balance Sheet Arrangements**

As of September 30, 2023, we had no off-balance sheet arrangements.

**Recently Issued Accounting Pronouncements**

For a discussion of recent accounting pronouncements that will affect us, see Note 2 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

**ITEM 4. CONTROLS AND PROCEDURES.**

**Evaluation of Disclosure Controls and Procedures**

As required by Rules 13a-15(b) and 15d-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including the principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) and under the Exchange Act) as of the end of the period covered by this quarterly report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including the principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure, and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon the evaluation, the principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2023. We believe that our internal controls and procedures are still functioning as designed and were effective for the most recent quarter.

**Change in Internal Control Over Financial Reporting**

No changes in our internal control over financial reporting occurred during the most recent quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as Exhibits 31.1 and 31.2, respectively, to this quarterly report.

**PART II—OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS.**

For a discussion of the legal proceedings associated with the Incident, see Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under “Item 1. Financial Statements” of this quarterly report and the annual financial statements and related notes included in our 2022 Form 10-K.

Future litigation may be necessary, among other things, to defend ourselves by determining the scope, enforceability, and validity of claims. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

**ITEM 1A. RISK FACTORS.**

Our business faces many risks. Any of the risks discussed elsewhere in this quarterly report and our other SEC filings could have a material impact on our business, financial position or results of operations. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair our business operations. There have been no material changes to the risk factors disclosed in Part I, Item 1A in our 2022 Form 10-K and Part II, Item 1A in our Form 10-Q filed on May 3, 2023.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

The following table summarizes our repurchase activity during the three months ended September 30, 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (1) (in thousands)
<b>Common Shares Repurchased (1)</b>				
July 1, 2023 - July 31, 2023	4,319	\$ 6.77	—	n/a
August 1, 2023 - August 31, 2023	—	\$ —	—	n/a
September 1, 2023 - September 30, 2023	—	\$ —	—	n/a

(1) Common shares are generally net-settled by shareholders to cover the required withholding tax upon vesting. We repurchased the remaining vesting shares on the vesting date at current market price. See Note 8 of the Notes to the Unaudited Condensed Consolidated Financial Statements included under “Item 1. Financial Statements” of this quarterly report for additional information.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES.**

None.

**ITEM 4. MINE SAFETY DISCLOSURES.**

Not applicable.

**ITEM 5. OTHER INFORMATION.**

Effective as of November 1, 2023, Amplify Energy Corp. and Amplify Energy Services LLC entered into employment agreements (collectively, the "Employment Agreements") with each of Eric Dulany, James Frew, Daniel Furbee, Tony Lopez, Eric Willis and Martyn Willsher (each, an "Executive", and collectively, the "Executives"). The Employment Agreements replace and supersede any prior agreements related to the Executives' employment, including the prior employment agreements entered into with each Executive.

Pursuant to the Employment Agreements, Mr. Dulany will serve as Vice President and Chief Accounting Officer, Mr. Frew will serve as Senior Vice President and Chief Financial Officer, Mr. Furbee will serve as Senior Vice President and Chief Operating Officer, Mr. Lopez will serve as Senior Vice President Engineering and Exploitation, Mr. Willis will serve as Senior Vice President, General Counsel and Corporate Secretary, and Mr. Willsher will serve as President and Chief Executive Officer. Each of the Executives, other than Messrs. Dulany and Mr. Willsher, will report to the Chief Executive Officer. Mr. Dulany will report to the Chief Financial Officer. Mr. Willsher will report to the Board.

The Employment Agreements provide for an annual base salary (the "Base Salary") of \$255,000 for Mr. Dulany, \$364,000 for each of Messrs. Frew, Furbee, and Willis, \$322,400 for Mr. Lopez, and \$520,000 for Mr. Willsher. The Executives will be eligible for a discretionary annual cash bonus (the "Annual Bonus") with a target equal to a percentage of the Base Salary (50% for Mr. Dulany, 70% for each of Messrs. Frew, Furbee, Lopez and Willis, and 100% for Mr. Willsher). Additionally, the Employment Agreements provide the Executives will be eligible to receive long-term incentive compensation as determined by the Board in its discretion.

The Employment Agreements provide for a Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") "best-net" cutback, which would cause an automatic reduction in any payments or benefits the Executives would receive that constitute parachute payments within the meaning of Section 280G of the Code, in the event such reduction would result in the Executives receiving greater payments and benefits on an after-tax basis.

Upon any termination of employment with the Company, each Executive will be entitled to: (i) accrued but unpaid then current Base Salary through the termination date; (ii) unreimbursed business expenses incurred through the termination date and (iii) payment of any amounts accrued and vested under any employee benefit plans or programs of the Company, and any payments or benefits required to be made or provided under applicable law (collectively, the "Accrued Amounts").

If an Executive's employment with the Company is terminated due to death or "disability" (as defined in the Employment Agreements), then in addition to the Accrued Amounts and subject to the Executive's execution and non-revocation of a general release of claims and continued compliance with the restrictive covenants, as applicable, the Executive is entitled to: (i) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the termination date, in an amount equal to the Annual Bonus amount the Executive would have received (if any) had the Executive been employed on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company; and (ii) a pro rata portion of the target Annual Bonus for the calendar year in which the termination occurs (the "Pro Rata Bonus Amount"), payable within 70 days following the termination date.

In the event of a termination of the Executive's employment with the Company without "cause" (as defined below) or for "good reason" (as defined below), then in addition to the Accrued Amounts and subject to the Executive's execution and non-revocation of a general release of claims and continued compliance with the restrictive covenants, the Executive will be entitled to: (i) the Prior Year Bonus, if any; (ii) the Pro Rata Bonus Amount, if any; (iii) an amount equal to two times (one times, with respect to Mr. Dulany) the Executive's annual Base Salary as in effect on the day before the termination date, payable in a lump sum within 70 days following the termination date and (iv) up to 12 months of continued health insurance benefits under the Company group health plan (at the employee rate), subject to the Executive's continued eligibility for COBRA coverage and terminable if the Executive obtains other employment offering group health plan coverage.

In the event of a termination of the Executive's employment with the Company without "cause" or for "good reason" within the 18-month period following a Change of Control (as defined in the Employment Agreement), then in addition to the Accrued Amounts and subject to the Executive's execution and non-revocation of a general release of claims and continued compliance with the restrictive covenants, the Executive will be entitled to: (i) the Prior Year Bonus, if any; (ii) the Pro Rata Bonus Amount, if any; (iii) an amount equal to two times (one times, with respect to Mr. Dulany) the sum of (x) the Executive's annual Base Salary as in effect on the day before the termination date, and (y) the target Annual Bonus, payable in a lump sum within 70 days following the termination date and (iv) up to 12 months of continued health insurance benefits under the Company group health plan (at the employee rate), subject to the Executive's continued eligibility for COBRA coverage and terminable if the Executive obtains other employment offering group health plan coverage.

For purposes of the Employment Agreements, the Company will have "cause" to terminate an Executive's employment upon the occurrence of the Executive's: (i) conviction of a felony, or plea of guilty or nolo contendere to, any felony or any crime of moral turpitude; (ii) repeated intoxication by alcohol or drugs during the performance of the Executive's duties; (iii) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (iv) commission of a demonstrable act of fraud; (v) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (vi) material breach of the Employment Agreement or any other agreement with the Company; (vii) failure to follow or comply with the reasonable, material and lawful written directives of the Board or (viii) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Executive.

For purposes of the Employment Agreement, the Executive will have "good reason" to terminate their employment with the Company upon the occurrence of any of the following without their written consent: (i) a relocation of the Executive's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Executive's travel for business in the course of performing the Executive's duties for the Company, (B) the Executive working remotely or (C) the Company requiring the Executive to report to the office within the Executive's principal place of employment (instead of working remotely)); (ii) a reduction in the Executive's then current Base Salary or target Annual Bonus, or both; (iii) a material breach of any provision of the Employment Agreement by the Company or (iv) any material reduction in the Executive's title, authority, duties, responsibilities or reporting relationship from those in effect as of the effective date of the Employment Agreement, except to the extent such reduction occurs in connection with the Executive's termination of employment for "cause" or due to the Executive's death or disability.

The Employment Agreements include a perpetual confidentiality covenant, a non-competition covenant that applies during employment and the 12-month period thereafter, non-solicitation and non-interference covenants that apply during employment and the 12-month period thereafter, and a mutual non-disparagement covenant.

The foregoing description of the Employment Agreements does not purport to be complete and is qualified in its entirety by reference to the Employment Agreements, which are each attached hereto as Exhibits 10.1 through 10.6.

**ITEM 6. EXHIBITS.**

<b>Exhibit Number</b>	<b>Description</b>
3.1	<a href="#">Second Amended and Restated Certificate of Incorporation of Midstates Petroleum Company, Inc. (filed as Exhibit 3.1 to the Company's Registration Statement on Form 8-A filed on October 21, 2016, and incorporated herein by reference).</a>
3.2	<a href="#">Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Midstates Petroleum Company, Inc., dated August 6, 2019 (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K (File No. 001-35512) filed on August 6, 2019).</a>
3.3	<a href="#">Third Amended and Restated Bylaws of Amplify Energy Corp. (incorporated by reference to Exhibit 3.3 of the Company's Quarterly Report on Form 10-Q (File No. 001-35512) filed on November 15, 2021).</a>
10.1*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and Eric Dulany.</a>
10.2*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and James Frew.</a>
10.3*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and Daniel Furbee.</a>
10.4*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and Tony Lopez.</a>
10.5*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and Eric Willis.</a>
10.6*	<a href="#">Employment Agreement, dated November 1, 2023, by and between Amplify Energy Corp., Amplify Energy Services LLC and Martyn Willsher.</a>
31.1*	<a href="#">Certification of Chief Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934.</a>
31.2*	<a href="#">Certification of Chief Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934.</a>
32.1**	<a href="#">Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Schema Document
101.CAL*	Inline XBRL Calculation Linkbase Document
101.DEF*	Inline XBRL Definition Linkbase Document
101.LAB*	Inline XBRL Labels Linkbase Document
101.PRE*	Inline XBRL Presentation Linkbase Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed as an exhibit to this Quarterly Report on Form 10-Q.

\*\* Furnished as an exhibit to this Quarterly Report on Form 10-Q

**SIGNATURES**

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.

**Amplify Energy Corp.  
(Registrant)**

Date: November 6, 2023

By: /s/ James Frew

Name:James Frew

Title: Senior Vice President and Chief Financial Officer

Date: November 6, 2023

By: /s/ Eric Dulany

Name:Eric Dulany

Title: Vice President and Chief Accounting Officer

## **EMPLOYMENT AGREEMENT**

This Employment Agreement (“Agreement”) is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation (“Parent”), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the “Employer”, and, as the context requires, together with Parent, the “Company”), and Eric E. Dulany (the “Employee”), effective as of November 1, 2023 (the “Effective Date”), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a “Party” or collectively as the “Parties.”

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee’s employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of May 17, 2021 (the “Prior Agreement”). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

### **1. Position and Duties.**

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its Vice President and Chief Accounting Officer. In such capacity, the Employee will report to the Chief Financial Officer of the Company (the “Reporting Person”) or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee’s position as Vice President and Chief Accounting Officer in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee’s full working time to the business and affairs of the Company, will use the Employee’s best efforts to promote the Company’s interests and will perform the Employee’s duties and responsibilities faithfully, diligently and to the best of the Employee’s ability, consistent with sound business practices. The Employee may be required by the Reporting Person and/or the Board of Directors of Parent (the “Board”) to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company’s policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the

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appearance of a conflict of interest with the Company, or interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$255,000 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 50% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### 4. Expenses and Other Benefits.

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### 5. Termination of Employment.

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.2 Disability. In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.3 By the Company for Cause or by the Employee without Good Reason.

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to one times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to one times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

**6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.**

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

**6.7 Certain Amounts Not Includable for Employee Benefits Purposes.** Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee’s income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. Restrictive Covenants.

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

7.3 Return of Property. The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

7.4 Non-Competition. The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

## 7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

#### 7.11 Forfeiture Provision.

(a) *Detrimental Activities.* If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## 8. Miscellaneous.

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity: No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

*[Signature page follows.]*

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IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**EMPLOYEE**

/s/ Eric E. Dulany

Eric E. Dulany

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [ ]

[ ], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released

Parties (collectively, “Claims”): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the “ADEA”); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company’s D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party’s right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

\_\_\_\_\_  
Date:

By:

\_\_\_\_\_  
Its:

**EMPLOYER**

\_\_\_\_\_  
Date:

By:

\_\_\_\_\_  
Its:

**[NAME]**

\_\_\_\_\_  
Name:

Date:

**EMPLOYMENT AGREEMENT**

This Employment Agreement (“Agreement”) is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation (“Parent”), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the “Employer”, and, as the context requires, together with Parent, the “Company”), and James Frew (the “Employee”), effective as of November 1, 2023 (the “Effective Date”), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a “Party” or collectively as the “Parties.”

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee’s employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of April 17, 2023 (the “Prior Agreement”). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

**1. Position and Duties.**

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its Senior Vice President and Chief Financial Officer. In such capacity, the Employee will report to the Chief Executive Officer of the Company (the “Reporting Person”) or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee’s position as Senior Vice President and Chief Financial Officer in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee’s full working time to the business and affairs of the Company, will use the Employee’s best efforts to promote the Company’s interests and will perform the Employee’s duties and responsibilities faithfully, diligently and to the best of the Employee’s ability, consistent with sound business practices. The Employee may be required by the Reporting Person and/or the Board of Directors of Parent (the “Board”) to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company’s policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the

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appearance of a conflict of interest with the Company, or interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$364,000 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 70% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### **4. Expenses and Other Benefits.**

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### **5. Termination of Employment.**

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.2 Disability.** In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.3 By the Company for Cause or by the Employee without Good Reason.**

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

**6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.**

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

**6.7 Certain Amounts Not Includable for Employee Benefits Purposes.** Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee's income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for thisSection 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. **Restrictive Covenants.**

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

**7.3 Return of Property.** The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

**7.4 Non-Competition.** The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

7.11 Forfeiture Provision.

(a) *Detrimental Activities*. If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## **8. Miscellaneous.**

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity; No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

[Signature page follows.]  
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IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**EMPLOYEE**

/s/ James Frew

James Frew

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [

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], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
  2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
  3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released
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Parties (collectively, "Claims"): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the "ADEA"); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company's D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party's right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

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Date:

By:

—  
Its:

**EMPLOYER**

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Date:

By:

—  
Its:

**[NAME]**

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Name:

Date:

## EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation (“Parent”), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the “Employer”, and, as the context requires, together with Parent, the “Company”), and Daniel Furbee (the “Employee”), effective as of November 1, 2023 (the “Effective Date”), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a “Party” or collectively as the “Parties.”

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee’s employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of March 17, 2023 (the “Prior Agreement”). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

### 1. Position and Duties.

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its Senior Vice President and Chief Operating Officer. In such capacity, the Employee will report to the Chief Executive Officer of the Company (the “Reporting Person”) or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee’s position as Senior Vice President and Chief Operating Officer in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee’s full working time to the business and affairs of the Company, will use the Employee’s best efforts to promote the Company’s interests and will perform the Employee’s duties and responsibilities faithfully, diligently and to the best of the Employee’s ability, consistent with sound business practices. The Employee may be required by the Reporting Person and/or the Board of Directors of Parent (the “Board”) to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company’s policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the

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appearance of a conflict of interest with the Company, or interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$364,000 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 70% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### 4. Expenses and Other Benefits.

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### 5. Termination of Employment.

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.2 Disability. In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.3 By the Company for Cause or by the Employee without Good Reason.

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

**6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.**

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

**6.7 Certain Amounts Not Includable for Employee Benefits Purposes.** Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee’s income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. Restrictive Covenants.

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

7.3 Return of Property. The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

7.4 Non-Competition. The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

## 7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

#### 7.11 Forfeiture Provision.

(a) *Detrimental Activities.* If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## 8. Miscellaneous.

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity: No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

*[Signature page follows.]*

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

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**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

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**EMPLOYEE**

/s/ Daniel Furbee

Daniel Furbee

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [

], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released

Parties (collectively, “Claims”): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the “ADEA”); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company’s D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party’s right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

\_\_\_\_\_  
Date:

By: \_\_\_\_\_

\_\_\_\_\_  
Its:

**EMPLOYER**

\_\_\_\_\_  
Date:

By: \_\_\_\_\_

\_\_\_\_\_  
Its:

**[NAME]**

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Date:

**EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation ("Parent"), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the "Employer", and, as the context requires, together with Parent, the "Company"), and Tony Lopez (the "Employee"), effective as of November 1, 2023 (the "Effective Date"), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a "Party" or collectively as the "Parties."

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee's employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of May 1, 2023 (the "Prior Agreement"). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

**1. Position and Duties.**

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its Senior Vice President, Engineering & Exploitation. In such capacity, the Employee will report to the Chief Executive Officer of the Company (the "Reporting Person") or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee's position as Senior Vice President, Engineering & Exploitation in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee's full working time to the business and affairs of the Company, will use the Employee's best efforts to promote the Company's interests and will perform the Employee's duties and responsibilities faithfully, diligently and to the best of the Employee's ability, consistent with sound business practices. The Employee may be required by the Reporting Person and/or the Board of Directors of Parent (the "Board") to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company's policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the

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appearance of a conflict of interest with the Company, or interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$322,400 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 70% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### **4. Expenses and Other Benefits.**

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### **5. Termination of Employment.**

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.2 Disability.** In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.3 By the Company for Cause or by the Employee without Good Reason.**

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

6.7 Certain Amounts Not Includable for Employee Benefits Purposes. Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee's income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. **Restrictive Covenants.**

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

**7.3 Return of Property.** The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

**7.4 Non-Competition.** The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

7.11 Forfeiture Provision.

(a) *Detrimental Activities*. If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## **8. Miscellaneous.**

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity; No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

[Signature page follows.]  
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IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Martyn Willscher

Name: Martyn Willscher

Title: President and Chief Executive Officer

**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Martyn Willscher

Name: Martyn Willscher

Title: President and Chief Executive Officer

**EMPLOYEE**

/s/ Tony Lopez

Tony Lopez

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [

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], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
  2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
  3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released
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Parties (collectively, "Claims"): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the "ADEA"); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company's D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party's right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

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Date:

By:

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Its:

**EMPLOYER**

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Date:

By:

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Its:

**[NAME]**

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Name:

Date:

**EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement") is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation ("Parent"), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the "Employer", and, as the context requires, together with Parent, the "Company"), and Eric M. Willis (the "Employee"), effective as of November 1, 2023 (the "Effective Date"), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a "Party" or collectively as the "Parties."

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee's employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of May 3, 2019 (the "Prior Agreement"). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

**1. Position and Duties.**

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its Senior Vice President, General Counsel & Corporate Secretary. In such capacity, the Employee will report to the Chief Executive Officer of the Company (the "Reporting Person") or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee's position as Senior Vice President, General Counsel & Corporate Secretary in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee's full working time to the business and affairs of the Company, will use the Employee's best efforts to promote the Company's interests and will perform the Employee's duties and responsibilities faithfully, diligently and to the best of the Employee's ability, consistent with sound business practices. The Employee may be required by the Reporting Person and/or the Board of Directors of Parent (the "Board") to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company's policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the

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appearance of a conflict of interest with the Company, or interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$364,000 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 70% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### **4. Expenses and Other Benefits.**

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### **5. Termination of Employment.**

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.2 Disability.** In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

**6.3 By the Company for Cause or by the Employee without Good Reason.**

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

**6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.**

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

**6.7 Certain Amounts Not Includable for Employee Benefits Purposes.** Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee's income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for thisSection 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. **Restrictive Covenants.**

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

**7.3 Return of Property.** The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

**7.4 Non-Competition.** The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

7.11 Forfeiture Provision.

(a) *Detrimental Activities*. If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## **8. Miscellaneous.**

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity; No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

[Signature page follows.]  
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IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Martyn Willsher

Name: Martyn Willsher

Title: President and Chief Executive Officer

**EMPLOYEE**

/s/ Eric M. Willis

Eric M. Willis

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [

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], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
  2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
  3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released
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Parties (collectively, "Claims"): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the "ADEA"); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company's D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party's right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

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Date:

By:

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Its:

**EMPLOYER**

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Date:

By:

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Its:

**[NAME]**

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Name:

Date:

## EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is entered into by and among **AMPLIFY ENERGY CORP.**, a Delaware corporation (“Parent”), **AMPLIFY ENERGY SERVICES LLC**, a Delaware limited liability company (the “Employer”, and, as the context requires, together with Parent, the “Company”), and Martyn Willsher (the “Employee”), effective as of November 1, 2023 (the “Effective Date”), on the terms set forth herein. Parent, the Employer and Employee may sometimes hereafter be referred to singularly as a “Party” or collectively as the “Parties.”

WHEREAS, the Parties intend for the terms of this Agreement to govern the terms of the Employee’s employment with the Company as of the Effective Date and to replace and supersede any prior agreements, understandings, discussions or negotiations, whether written or oral, between the Parties relating to the subject matter hereof, including, without limitation, that certain employment agreement between Parent and the Employee, dated as of May 3, 2019 (the “Prior Agreement”). For the avoidance of doubt, prior to the Effective Date, the terms of the Prior Agreement shall continue to apply.

Accordingly, the Parties, intending to be legally bound, agree as follows:

### 1. Position and Duties.

1.1 Employment; Titles; Reporting. The Company agrees to continue to employ the Employee and the Employee agrees to continue employment with the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), the Employee will serve the Company as its President and Chief Executive Officer. In such capacity, the Employee will report to the Board of Directors of the Company (the “Reporting Person”) or such position designated by the Reporting Person and otherwise will be subject to the direction and control of the Reporting Person or such position designated by the Reporting Person, and the Employee will have such duties, responsibilities and authorities as may be assigned to the Employee by the Reporting Person or such position designated by the Reporting Person from time to time to the extent consistent with Employee’s position as President and Chief Executive Officer in a publicly traded company comparable to Parent.

1.2 Duties. During the Employment Term, the Employee will devote substantially all of the Employee’s full working time to the business and affairs of the Company, will use the Employee’s best efforts to promote the Company’s interests and will perform the Employee’s duties and responsibilities faithfully, diligently and to the best of the Employee’s ability, consistent with sound business practices. The Employee may be required by the Reporting Person to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of Parent or the Employer. The Employee will comply with the Company’s policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company. Subject to the preceding sentence, the Employee may, with the prior written approval of the Reporting Person in each instance, engage in other business and charitable activities, provided that such charitable and/or other business activities do not violate Section 7, create a conflict of interest or the appearance of a conflict of interest with the Company, or

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interfere, individually or in the aggregate, with the performance of the Employee's obligations to the Company under this Agreement.

1.3 Place of Employment. The Employee will perform the Employee's duties under this Agreement at the Company's offices in Houston, Texas. The Employee understands and agrees that Employee will be required to travel from time to time for purposes of the Company's business.

## 2. **Term of Employment.**

The term of the Employee's employment by the Company under this Agreement (the "Employment Term") will commence on the Effective Date and will continue until the Employee's employment is terminated by any Party under Section 5. The date on which the Employee's employment ends is referred to in this Agreement as the "Termination Date." For the purpose of Sections 5 and 6 of this Agreement, the Termination Date shall be the date upon which the Employee incurs a "separation from service" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued thereunder (collectively, "Code Section 409A").

## 3. **Compensation.**

3.1 Base Salary. During the Employment Term, the Employee will be entitled to receive a base salary ("Base Salary") at an annual rate of not less than \$520,000 for services rendered to the Company, payable in accordance with the Employer's regular payroll practices. The Employee's Base Salary shall be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward.

3.2 Bonus Compensation. During the Employment Term, the Employee shall be eligible for discretionary cash bonus compensation with a target of 100% of the Employee's Base Salary (the "Target Bonus") for each complete calendar year that the Employee is employed by the Company hereunder (any bonus compensation payable, the "Annual Bonus"). The performance targets that must be achieved in order to be eligible for certain bonus levels shall be established by the Board (or a committee thereof) annually. Each Annual Bonus, if any, shall be paid as soon as administratively feasible after the Board (or a committee thereof) certifies whether the applicable performance targets for the applicable calendar year have been achieved, but in no event later than March 15 following the end of such calendar year. Notwithstanding anything in this Section 3.2 to the contrary, but subject to Section 6 below, no Annual Bonus, if any, nor any portion thereof, shall be payable for any calendar year unless the Employee remains continuously employed by the Company from the Effective Date through the date on which such Annual Bonus is paid.

3.3 Long-Term Incentive Compensation. Long-term incentive compensation awards may be made to the Employee from time to time during the Employment Term by the Board in its sole discretion, whose decision will be based upon performance and award guidelines for executive officers of the Company established periodically by the Board in its sole discretion.

#### 4. Expenses and Other Benefits.

4.1 Reimbursement of Business Expenses. The Employee will be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee during the Employment Term (in accordance with the policies and practices presently followed by the Company or as may be established by the Board from time to time for the Company's senior executive officers) in performing services under this Agreement, provided that the Employee properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Each reimbursement shall be paid within 30 days after it has been properly submitted to the Company by the Employee in accordance with all applicable policies.

4.2 Paid Time Off. The Employee shall be entitled to paid time off in accordance with the Company's policy as then in effect (prorated for any calendar year during which the Employee is employed with the Company for less than the entire year, based on the number of days that the Employee is employed with the Company during such calendar year). The Company's policy in effect as of the Effective Date provides the Employee with 200 hours of paid time off per calendar year.

4.3 Other Employee Benefits. In addition to the foregoing, during the Employment Term, the Employee will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Company from time to time.

#### 5. Termination of Employment.

5.1 Death. The Employee's employment under this Agreement will terminate upon the Employee's death.

##### 5.2 Termination by the Company.

(a) Terminable at Will. The Company may terminate the Employee's employment under this Agreement at any time with or without Cause (as defined below).

(b) Definition of Cause. For purposes of this Agreement, "Cause" means any of the Employee's: (1) conviction of a felony, or plea of guilty or *nolo contendere* to, any felony or any crime of moral turpitude; (2) repeated intoxication by alcohol or drugs during the performance of the Employee's duties; (3) embezzlement or other willful and intentional misuse of any of the funds of the Company or its direct or indirect subsidiaries; (4) commission of a demonstrable act of fraud; (5) willful and material misrepresentation or concealment on any written reports submitted to the Company or its direct or indirect subsidiaries; (6) material breach of this Agreement or any other agreement with the Company; (7) failure to follow or comply with the reasonable, material and lawful written directives of the Board; or (8) conduct constituting a material breach of the Company's then-current code of conduct or other similar written policy which has been provided to the Employee.

(c) *Notice and Cure Opportunity in Certain Circumstances.* The Employee may be afforded a reasonable opportunity to cure any act or omission that would otherwise constitute Cause hereunder according to the following terms: The Board shall give the Employee written notice stating with reasonable specificity the nature of the circumstances determined by the Board in its reasonable and good faith judgment to constitute Cause. If, in the reasonable and good faith judgment of the Board, the alleged breach is reasonably susceptible to cure, the Employee will have 15 days from the Employee's receipt of such notice to effect the cure of such circumstances or such breach to the reasonable and good faith satisfaction of the Board. The Board will state whether the Employee will have such an opportunity to cure in the initial notice of Cause referred to above. Prior to a termination for Cause, in those instances where the initial notice of Cause states that the Employee will have an opportunity to cure, the Company shall provide an opportunity for the Employee (with legal counsel) to be heard by the Board or a Board committee designated by the Board to hear the Employee. The decision as to whether the Employee has satisfactorily cured the alleged breach shall be made at such meeting. If, in the reasonable and good faith judgment of the Board, the alleged breach is not reasonably susceptible to cure, or such circumstances or breach have not been satisfactorily cured within such 15-day cure period, such breach will thereupon constitute Cause hereunder.

5.3 Termination by the Employee.

(a) *Terminable at Will.* The Employee may terminate the Employee's employment under this Agreement at any time with or without Good Reason (as defined below).

(b) *Notice and Cure Opportunity.* If such termination is for Good Reason, the Employee will give the Company written notice, which will identify with reasonable specificity the grounds for the Employee's resignation and provide the Company with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if such notice is given by the Employee to the Company more than 45 days after the first occurrence of the event that the Employee alleges is Good Reason for the Employee's termination hereunder. The Employee must actually terminate Employee's employment within 30 days following the expiration of the Company's 30-day cure period. Otherwise, any claim of such circumstances constituting "Good Reason" shall be deemed irrevocably waived by the Employee.

(c) *Definition of Good Reason.* For purposes of this Agreement, "Good Reason" will mean any of the following to which the Employee will not consent in writing: (i) a relocation of the Employee's principal work location to a location in excess of 40 miles from its then current location (provided that, a relocation shall not include: (A) the Employee's travel for business in the course of performing the Employee's duties for the Company, (B) the Employee working remotely or (C) the Company requiring the Employee to report to the office within the Employee's principal place of employment (instead of working remotely)); (ii) a reduction in the Employee's then current Base Salary or Target Bonus, or both; (iii) a material breach of any provision of this Agreement by the Company; or (iv) any material reduction in the Employee's title, authority, duties, responsibilities or reporting relationship from those in effect as of the Effective Date, except to the extent such reduction occurs in connection with the Employee's termination of employment for Cause or due to the Employee's death or Disability.

5.4 Notice of Termination. Any termination of the Employee's employment by the Company or by the Employee during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other Party hereto in accordance with Section 8.7. For purposes of this Agreement, a "Notice of Termination" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provision so indicated, and (c) if the Termination Date is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Company determines in good faith that the Disability (asdefined herein) of the Employee has occurred during the Employment Term, it may, without breaching this Agreement, give to the Employee written notice in accordance with Section 5.4 of its intention to terminate the Employee's employment. In such event, the Employee's employment with the Company will terminate effective on the 30th day after receipt of such notice by the Employee, provided that, within 30 days after such receipt, the Employee has not returned to full-time performance of the Employee's duties hereunder.

"Disability" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by the Employee that the Employee has been unable to perform substantially the Employee's usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon reasonable request therefor by the Company, the Employee will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by Company shall be board certified in the appropriate field and shall have no actual or potential conflict of interest.

5.6 Resignation from All Other Positions. Upon any termination of the Employment Term, the Employee will promptly resign, and will be deemed to have automatically resigned, from all positions that the Employee holds as a member of the Board (if applicable), officer, director or fiduciary of the Company or any of its affiliates. The Employee will take all actions reasonably requested by the Company to give effect to this provision.

**6. Compensation of the Employee Upon Termination.** Subject to the provisions of Section 6.10, the Employee shall be entitled to receive the amount specified upon the termination events designated below:

6.1 Death. If the Employee's employment under this Agreement is terminated by reason of the Employee's death, the Employer shall pay to the person or persons designated by the Employee for that purpose in a notice filed with the Company, or, if no such person has been so designated, to the Employee's estate, the following:

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) any unpaid Annual Bonus with respect to the calendar year ending on or preceding the Termination Date, in an amount equal to the Annual Bonus amount that the Employee would have received (if any) had the Employee been employed by the Company on the payment date (the "Prior Year Bonus"), payable at the same time annual bonuses for such year are paid to actively-employed senior executives of the Company, in accordance with Section 3.2; *plus*

(c) a pro-rata portion of the Target Bonus for the calendar year in which the Termination Date occurs (determined by multiplying the amount of such Target Bonus which would be due for the full calendar year by a fraction, (i) the numerator of which is the number of days during the calendar year that the Employee is employed by the Company and (ii) the denominator of which is three hundred sixty-five (365)) (the "Pro Rata Bonus Amount"), payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, payable in a lump sum within 30 days following the Termination Date.

The Employee's entitlement to the amounts set forth in Section 6.1(b) and Section 6.1(c) is subject to the provisions of Section 6.6.

Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.2 Disability. In the event of the Employee's termination by reason of Disability pursuant to Section 5.5, the Employee will continue to receive the Employee's Base Salary in effect immediately prior to the Termination Date and participate in applicable employee benefit plans or programs of the Company through the Termination Date, subject to offset dollar-for-dollar by the amount of any disability income payments provided to the Employee under any Company disability policy or program that is maintained by the Company. The Employer also shall pay to the Employee the amounts set forth in Section 6.1(a) through Section 6.1(d), at the times and subject to the conditions set forth in Section 6.1. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law) and any payments or benefits required to be made or provided under applicable law.

6.3 By the Company for Cause or by the Employee without Good Reason.

(a) *Termination by Company for Cause.* If the Employee's employment is terminated by the Company for Cause, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment for Cause.

(b) *Termination by Employee without Good Reason.* If the Employee's employment is terminated by the Employee without Good Reason, the Employee will receive (i) the Employee's accrued but unpaid then current Base Salary through the Termination Date, and (ii) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement, in each case, payable in a lump sum within 30 days following the Termination Date. Thereafter, the Company will have no further obligation to the Employee under this Agreement, other than for payment of any amounts accrued and vested under any employee benefit plans or programs of the Company (including with respect to any accrued but unused paid time off in accordance with Company policy and applicable law), and any payments or benefits required to be made or provided under applicable law. No bonus will be paid to the Employee for a termination of the Employee's employment without Good Reason.

6.4 By the Employee for Good Reason or by the Company without Cause Subject to the provisions of Section 6.6, if the Company terminates the Employee's employment without Cause, or the Employee terminates Employee's employment for Good Reason (each, a "Qualifying Termination"), then the Employee will be entitled to the following (with the amounts payable under clauses (b), (c), (e) and (f) below, collectively, the "Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid then current Base Salary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the Employee's annual Base Salary as in effect on the day before the Termination Date, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and (ii) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 6.4(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.4(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

6.5 Change of Control. Upon a Qualifying Termination that occurs within the 18- month period following a Change of Control (as defined in Parent's Equity Incentive Plan), subject to the requirements of Section 6.6, then the Employee will be entitled to the following ((b), (c), (e), and (f) below, collectively the "Change of Control Severance Benefits"):

(a) an amount equal to the Employee's accrued but unpaid current BaseSalary through the Termination Date, payable in a lump sum within 30 days following the Termination Date; *plus*

(b) the Prior Year Bonus (if any); *plus*

(c) the Pro Rata Bonus Amount, if any, payable within 70 days following the Termination Date; *plus*

(d) any other amounts that may be reimbursable by the Employer to the Employee as expressly provided under this Agreement; *plus*

(e) an amount equal to two times the sum of (x) the Employee's annual Base Salary as in effect on the day before the Termination Date, and (y) the Target Bonus, payable in a lump sum within 70 days following the Termination Date; *plus*

(f) subject to the Employee's (i) timely election of continuation coverage under the COBRA, and (B) continued copayment of premiums at the same level and cost to the Employee as if the Employee were a senior executive of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers the Employee (and Employee's spouse and eligible dependents, if applicable) for a period of 12 months, provided that the Employee is eligible and remains eligible for COBRA coverage; provided, further, that the Company may modify the

continuation coverage contemplated by this Section 6.5(f) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable); and provided, further, that in the event that the Employee obtains other employment that offers group health plan coverage, such continuation of coverage by the Company under this Section 6.5(f) shall cease as of the end of the month in which the Employee obtains such other employer-provided, group health plan coverage.

**6.6 Conditions to Receipt of Certain Post-Termination Payments and Benefits.**

(a) *Release.* As a condition to receiving the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee must execute and not revoke a general release of claims, which will include an affirmation of the restrictive covenants set forth in Section 7, substantially in the form attached hereto as Exhibit A (the “Release”). If the Release is not executed and non-revocable within 60 days after the Termination Date and prior to the date on which such payment and/or benefits are to be first paid or provided to the Employee, the Employee will not be entitled to the Prior Year Bonus (if any), the Pro Rata Bonus Amount, and/or any Severance Benefits or Change of Control Severance Benefits, as the case may be, and the Company will have no further obligations with respect to the provision of those payments and/or benefits except as may be required by law. If the Release consideration period spans two calendar years, no payments and/or benefits subject to the Release will be paid or provided until the later of (i) the date on which the Release becomes effective and non-revocable and (ii) January 2nd of the second calendar year.

(b) *Limitation on Benefits.* If, following a termination of employment that gives the Employee a right to the payment of the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5, the Employee violates any of the covenants in Section 7 or as otherwise set forth in the Release, the Employee will have no further right or claim to the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 from and after the date on which the Employee engages in such activities, and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

**6.7 Certain Amounts Not Includable for Employee Benefits Purposes.** Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account the Employee’s income will exclude the Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5.

6.8 Exclusive Severance Benefits. The Prior Year Bonus (if any), the Pro Rata Bonus Amount and/or any Severance Benefits or Change of Control Severance Benefits to which the Employee may otherwise be entitled under Section 6.1, Section 6.2, Section 6.4, or Section 6.5 if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company, excluding, for this purpose, any post-termination treatment of equity incentive awards provided under the terms of the governing award agreements.

6.9 Code Section 280G. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by the Employee (including, without limitation, any payment or benefits received in connection with a "change of control" or the Employee's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for thisSection 6.9(a), be subject to the excise tax imposed under Section 4999 of the Code (the Excise Tax"), then prior to making the 280G Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to the Employee of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to the Employee if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under clause (i) above is less than the amount under clause (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment and excise taxes. Any reduction made pursuant to this Section 6.9(a) shall be made in a manner determined by the Company that is consistent with the requirements of Code Section 409A and that maximizes the Employee's economic position and after-tax income; for the avoidance of doubt, the Employee shall not have any discretion in determining the manner in which the payments and benefits are reduced.

6.10 Code Section 409A Compliance.

(a) The intent of the Parties is that payments and benefits under this Agreement comply with Code Section 409A; accordingly, to the maximum extent permitted, this Agreement will be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Employee and the Company of the applicable provision without violating the provisions of Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on the Employee by Code Section 409A or damages for failing to comply with Code Section 409A.

(b) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or

like terms will mean “separation from service.” Notwithstanding anything to the contrary in this Agreement, if the Employee is deemed on the date of termination to be a “specified employee” within the meaning under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a “separation from service,” such payment or benefit will not be made or provided until the date that is the earlier of (A) the expiration of the six-month period measured from the date of such “separation from service” of the Employee, and (B) the date of the Employee’s death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 6.10(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) will be paid or reimbursed to the Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute “nonqualified deferred compensation” for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder will be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee, (B) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Employee’s right to receive any installment payments pursuant to this Agreement is treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company.

(e) Notwithstanding any provision of this Agreement to the contrary, in no event will any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

## 7. Restrictive Covenants.

7.1 Confidential Information. During the Employment Term and thereafter, the Employee shall keep secret and retain in strictest confidence, and shall not use for the benefit of himself or others, any confidential matters or trade secrets of, or confidential and competitively valuable information concerning, Parent, the Employer and their respective direct or indirect subsidiaries (collectively, the “Company Group”), including, without limitation, information concerning their organization and operations, business and affairs, formulae, manufacturing processes, proprietary information, technical data, “know-how”, customer lists, details of client or consultant contracts, vendor and purchasing arrangements, terms and discounts, pricing methods and policies, financial information, operational methods, marketing plans or strategies, business acquisition plans, new personnel acquisition plans, technical processes, projects, financing/financial projections, budget information and procedures, marketing plans or

strategies, and research products. The confidentiality obligations set forth in this Section 7.1 shall not apply to any information that becomes part of the public domain other than through the Employee's disclosure in violation of the terms hereof. Nothing herein shall be construed as prohibiting the Employee from using or disclosing such confidential information as is necessary and has been authorized in Employee's proper performance of services for the Company Group.

(a) SEC Provisions. The Employee understands that nothing contained in this Agreement limits the Employee's ability to file a charge or complaint with the Securities and Exchange Commission ("SEC"). The Employee further understands that this Agreement does not limit the Employee's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit the Employee's right to receive an award for information provided to the SEC. This Section 7.1(a) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(b) Trade Secrets. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the Parties have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. If the Employee files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding, if the Employee first files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

7.2 No Interference. Notwithstanding any other provision of this Agreement, (a) the Employee may disclose confidential information (as described in Section 7.1 above) when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Employee or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Employee to divulge, disclose or make accessible such information, in each case, subject to the Employee's obligations to notify the Company and first obtain a protective order, to the extent permitted by applicable law; and (b) nothing in this Agreement is intended to interfere with the Employee's right to (i) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (ii) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies); (iii) file a claim or charge any governmental agency or entity; (iv) engage in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of the Employee's employment, the Employee's ability to file unfair labor practice charges or assist

others in doing so, and cooperate in any investigative process with the National Labor Relations Board; or (v) testify, assist or participate in an investigation, hearing, or proceeding conducted by any governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (b) above, the Employee may disclose confidential information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company and is not required to notify the Company of any such reports, disclosures or conduct.

7.3 Return of Property. The Employee agrees to deliver promptly to the Company, upon termination of the Employee's employment hereunder, or at any other time when the Company so requests, all documents relating to the business of the Company Group; provided, however, that the Employee will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to the Employee's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to the Employee's long-term incentive awards and other compensation.

7.4 Non-Competition. The Employee acknowledges that the Employee (a) will perform services of a unique nature for the Company Group that are irreplaceable, and that the Employee's performance of such services to a competing business will result in irreparable harm to the Company Group, (b) will have access to Confidential Information which, if disclosed, would unfairly and inappropriately assist in competition against the Company Group, (c) would inevitably use or disclose such Confidential Information in the course of the Employee's employment by a competitor, (d) will have access to the customers of the Company Group, (e) will receive specialized training and knowledge in connection with the Employee's employment with the Company Group, and (f) will generate goodwill for the Company Group in the course of the Employee's employment. Accordingly, during the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that the Employee will not, directly or indirectly, other than through the Company, engage or participate (or prepare to engage or participate), in any manner, whether directly or indirectly through an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is in competition with the business of the Company Group in the leasing, acquiring, exploring or producing hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any member of the Company Group (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between any member of the Company Group and any third party), or any other property on which any of the Company Group has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), provided that the foregoing will not restrict the Employee from obtaining post-termination employment with an entity that only has de minimis operations in the restricted territory (as determined by the Board in good faith); provided that, this Section 7.4 will not preclude the Employee from making passive investments in securities of oil and gas companies which are registered on a national stock exchange, if (i) the

aggregate amount owned by the Employee and Employee's spouse and children, if any, does not exceed 1% of such company's outstanding securities, and (ii) the aggregate amount invested in such investments by the Employee and Employee's spouse and children does not exceed \$1,000,000.

7.5 Non-Solicitation; Non-Interference.

(a) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, induce or attempt to induce any customer, supplier, agent, intermediary or other business relation of the Company Group with whom the Employee had material contact or about whom the Employee learned Confidential Information during the Employee's employment with the Company Group to reduce or cease doing business with the Company Group, or interfere with the relationship between any such customer, supplier, agent, intermediary or business relation and the Company Group (including making any negative statements or communications concerning the Company Group); *provided* that nothing contained in this Section 7.5(a) will prohibit public advertising or general solicitations that are not specifically directed to customers, suppliers, licensees or other business relations of the Company Group.

(b) During the Employment Term and for a period of 12 months immediately thereafter, the Employee agrees that Employee shall not, except in the furtherance of the Employee's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, solicit, aid or induce any employee, representative or agent of the Company Group to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company Group or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent. An employee, representative or agent shall be deemed covered by this Section 7.5(b) while so employed or retained and for a period of six months thereafter.

7.6 Non-Disparagement. The Employee agrees not to make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic, or by any other method) about the Company or any other member of the Company Group or their respective successors and assigns or any of their respective officers, directors, employees, shareholders, agents or products. The Company agrees to instruct its officers and directors to not make any negative, disparaging, detrimental or derogatory remarks or public statements (written, oral, telephonic, electronic or by any other method) about the Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

## 7.7 Assignment of Developments.

(a) The Employee acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, works of authorship and other work product, whether patentable or unpatentable, (i) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company Group resources and/or within the scope of the Employee's work with the Company Group or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company Group, and that are made or conceived by the Employee, solely or jointly with others, during the Employment Term, or (ii) suggested by any work that the Employee performs in connection with the Company Group, either while performing the Employee's duties with the Company Group or on the Employee's own time, but only insofar as the Inventions are related to the Employee's work as an employee or other service provider to the Company Group, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the "Inventions"). The Employee will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Employee will surrender them upon the termination of the Employment Term, or upon the Company's earlier request. The Employee irrevocably conveys, transfers and assigns to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Employee's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Employee will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Employee from the Company. The Employee will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Employee from the Company, but entirely at the Company's expense.

(b) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Employee agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Employee. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit

the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Employee hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Employee has any rights in the results and proceeds of the Employee's service to the Company that cannot be assigned in the manner described herein, the Employee agrees to unconditionally waive the enforcement of such rights. The Employee hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Employee's benefit by virtue of the Employee being an employee of or other service provider to the Company.

7.8 Injunctive Relief. The Employee acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely, and that, in the event of such a breach or threat of breach, the Company or any other member of the Company Group will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Employee from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.9 Adjustment of Covenants. The Parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the Parties to have made it valid, enforceable and effective.

7.10 Tolling. In the event of any violation of the provisions of this Section 7, the Employee agrees that the post-termination restrictions contained in this Section 7 will be extended by a period of time equal to the period of such violation, it being the intention of the Parties that the running of the applicable restricted period will be tolled during any period of such violation.

#### 7.11 Forfeiture Provision.

(a) *Detrimental Activities.* If the Employee engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (i) the Employee will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law; (ii) all forms of equity compensation held by or credited to the Employee will terminate effective as of the date on which the Employee engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements; and (iii) any exercise, payment or delivery pursuant to any equity compensation award that occurred within one year prior to the date on which the Employee engages in that activity may be rescinded within one year after the first date that any member of the Board first became aware

that the Employee engaged in that activity. In the event of any such rescission, the Employee will pay to the Company the amount of any gain realized or payment received as a result of the rescinded exercise, payment or delivery (after deducting the Employee's actual income tax liability incurred with respect to such gain or payment), in such manner and on such terms and condition as may be required. Notwithstanding any provision of this Agreement to the contrary, if the Employee disputes whether Employee has violated any covenant or restriction contained in Section 7, and such dispute has been adjudicated to a final decision pursuant to Section 8.5 in the Employee's favor, the Company will pay to the Employee all amounts withheld or clawed back pursuant to this Section 7.11 to the extent ordered by a court of competent jurisdiction; provided that legal action in this respect is filed by the Employee within 60 days after being notified of the Company's decision affecting the Employee under this Section 7.11.

(b) *Right of Setoff.* The Employee consents to a deduction from any amounts the Company owes the Employee from time to time (including amounts owed as wages or other compensation, fringe benefits, or vacation pay, as well as any other amounts owed to the Employee by the Company), to the extent of the amounts the Employee owes the Company under Section 7.11(a) (above). Whether or not the Company elects to make any setoff in whole or in part, if the Company does not recover by means of setoff the full amount the Employee owes, calculated as set forth above, the Employee agrees to pay immediately the unpaid balance to the Company.

## 8. Miscellaneous.

8.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by any Party, whether by operation of law or otherwise, without the prior written consent of the other Parties, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of Parent, Employer or any affiliates for which the Employee performs substantial services. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the Parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

8.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by the Employee and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any Party of any breach by any other Party of, or of compliance with, any term or condition of this Agreement to be performed by any other Party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

8.3 Entire Agreement. This Agreement, together with any documents specifically referenced in this Agreement, embodies the entire understanding of the Parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof (including the Prior Agreement); provided, however, that if there is a conflict between any of the terms in this Agreement and the terms in any award agreement between Parent and the Employee pursuant to any long-term incentive plan or

otherwise, the terms of the award agreement shall govern. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by any Party which is not set forth expressly in this Agreement or the other documents referenced in this Section 8.3.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Texas other than the conflict of laws provision thereof.

8.5 Consent to Jurisdiction; Service of Process; Waiver of Right to Jury Trial.

(a) *Disputes.* In the event of any dispute, controversy or claim between the Company and the Employee arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and the Employee agree and consent to the personal jurisdiction of the state and local courts of Harris County, Texas and/or the United States District Court for the Southern District of Texas, Houston Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, shall have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and the Employee also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of its principal executive offices and to the Employee at the Employee's last known address as reflected in the Company's records.

(b) *Waiver of Right to Jury Trial.* THE COMPANY AND THE EMPLOYEE HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY TO ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AS WELL AS TO ALL CLAIMS ARISING OUT OF THE EMPLOYEE'S EMPLOYMENT WITH THE COMPANY OR TERMINATION THEREFROM.

8.6 Withholding of Taxes. The Employer may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In the event that the Employer fails to withhold any taxes required to be withheld by applicable law or regulation, the Employee agrees to indemnify the Employer for any taxes of the Employee that should have been withheld.

8.7 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with written confirmation of receipt), or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a Party may designate by notice to the other parties).

To the Company:

AMPLIFY ENERGY CORP.

Attn: General Counsel  
500 Dallas Street, Suite 1700  
Houston, TX 77002

Email: eric.willis@amplifyenergy.com

To the Employee:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other Party at the last recorded address of that Party.

8.8 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Electronic copies shall have the same force and effect as the originals.

8.10 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

8.11 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

8.12 Capacity: No Conflicts. The Employee represents and warrants to the Company that: (a) the Employee has full power, authority and capacity to execute and deliver this Agreement, and to perform the Employee's obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which the Employee is a party or is otherwise bound, and (c) this Agreement is the Employee's valid and binding obligation, enforceable in accordance with its terms.

8.13 Clawback. Any amounts paid or benefits distributed to the Employee hereunder shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Company, to the extent such policy is applicable to the Employee, in accordance with Section 10D of the Securities Exchange Act of 1934, as amended, the rules promulgated thereunder, and the listing standards of the national securities exchange on which Parent's securities are listed.

*[Signature page follows.]*

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

**AMPLIFY ENERGY CORP.**

By: /s/ Eric M. Willis

Name: Eric M. Willis

Title: SVP, General Counsel & Corporate Secretary

**AMPLIFY ENERGY SERVICES LLC**

By: /s/ Eric M. Willis

Name: Eric M. Willis

Title: SVP, General Counsel & Corporate Secretary

**EMPLOYEE**

/s/ Martyn Willsher

Martyn Willsher

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**Exhibit A Release of**

**Claims**

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## Release of Claims

Reference is hereby made to that certain Employment Agreement, effective as of [ ]

[ ], 20[ ], by and between Amplify Energy Corp. (the "Parent"), Amplify Energy Services LLC (the "Employer", and, as the context requires, together with Parent, the "Company"), and [NAME] (the "Employment Agreement"). I, [NAME], and the Company are entering into this general release of claims (this "General Release") made as of the Effective Date (as defined below) in connection with my separation from employment with the Company as provided herein. Accordingly, I hereby agree as follows:

1. I agree that my employment with the Company shall end effective [ ], 20[ ] (the "Separation Date"). As of the Separation Date, I shall no longer be an employee of (or hold any other positions with) the Company. I agree not to hold myself out as a partner, member, director, officer or employee of, or as otherwise affiliated with, the Company (including on social media) after the Separation Date. In signing this General Release, I also acknowledge and represent that I have received all payments and benefits that I am otherwise entitled to receive (as of the date hereof) by virtue of my employment with the Company, including pay for all work I have performed for the Company through the date hereof (to the extent not previously paid) and pay, at my final base rate of pay, for any vacation time I earned but have not used as of the date hereof.
2. Provided that I (i) execute this General Release within 21 days of receipt, (ii) do not revoke this General Release within seven calendar days of executing it, and (iii) comply with this General Release and the Continuing Obligations at all times, then Employer will provide me with the payments and benefits under [Section 6.4(b), (c), (e) and (f)][Section 6.5(b), (c), (e) and (f)] of the Employment Agreement (the "Severance Benefits"). I agree that the Severance Benefits are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the Severance Benefits unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release.
3. Except as provided in paragraph 5 below and except for the provisions of the Employment Agreement which expressly survive the termination of the Employment Agreement, I knowingly and voluntarily (for myself, my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me) release and forever discharge Parent, the Employer and their respective subsidiaries and affiliates and all of their respective past, present, and future shareholders, directors, officers, employee benefit plans, administrators, trustees, agents, representatives, employees, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties") from any and all claims, suits, controversies, actions, causes of action, rights and claims, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages and compensation, claims for costs and attorneys' fees, or liabilities of any kind and nature whatsoever, whether in law or in equity, both past and present, (through the date I sign this General Release) and whether now known or unknown, suspected or unsuspected, contingent, claimed or otherwise, which I now have or ever have had against any of the Released

Parties (collectively, “Claims”): (i) from the beginning of time through the date upon which I execute this General Release; (ii) in any way related to, arising out of or connected with my employment and/or other relationship with, or my separation or termination from, any of the Released Parties; (iii) arising out of, or relating to, any agreement with any Released Parties, including, but not limited to, any other awards, policies, plans, programs or practices of the Released Parties that may apply to me or in which I may participate, including, but not limited to, any rights under the Employment Agreement; and (iv) arising out of, or relating to, my status as an employee, member, officer, or director of any of the Released Parties, including, but not limited to, any allegation, claim or violation, arising under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including by the Older Workers Benefit Protection Act) (collectively, the “ADEA”); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; or their federal, state, or local counterparts; or under any other federal, state or local civil or human rights law, or under any other federal, state, or local law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters) . This is a general release that is intended to apply to all Claims I may have against the Released Parties through the date I execute this General Release, except those Claims that cannot be waived pursuant to applicable laws.

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action or other matter covered by paragraph 3 above.
5. I agree that this General Release does not waive or release any rights or claims that arise after the date I execute this General Release. This General Release also does not waive any Claims for any vested pension benefits (if any), or for indemnification under the Employment Agreement or the Company’s D&O policy, by-laws, certificate of incorporation or other governing documents, or rights as an equity holder or under any equity-based award.
6. I acknowledge that I am not waiving and am not being required to waive any right (i) as set forth in paragraph 5 or (ii) that cannot be waived under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency; provided, however, that I hereby waive the right to recover any monetary damages or other relief against any Released Parties excepting any benefit or remedy to which I am or become entitled to pursuant to Section 922 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Further, nothing contained in this General Release limits, restricts or in any way affects either party’s right to (A) communicate with any governmental agency or entity or regulatory or any law enforcement authority or make other disclosures under the whistleblower provisions of

any applicable law, rule or regulation or (B) seek or receive any monetary damages, awards or other relief in connection with protected whistleblower activity.

7. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to provide the Severance Benefits. I further agree that in the event I should bring a Claim seeking damages against Parent, Employer and/or any other Released Party, or in the event I should seek to recover against Parent, Employer and/or any other Released Party in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 3 above as of the execution of this General Release.
8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by Parent, Employer, any Released Party or myself of any improper or unlawful conduct. Rather, this General Release expresses the intention of the parties to resolve all issues and other claims related to or arising out of my employment by the Company or the termination of my employment.
9. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or its validity and enforceability in any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
10. I acknowledge that I will continue to be bound by my obligations under the Employment Agreement that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my obligations set forth in Section 7 of the Employment Agreement (the "Continuing Obligations"). I further acknowledge that the obligation of Employer to provide the Severance Benefits, and my right to retain the same, are expressly conditioned upon my continued full performance of my obligations hereunder (including continued compliance with the Continuing Obligations).
11. Subject to paragraph 12 of this General Release, I agree that I will never disparage or criticize Parent, Employer, their respective affiliates, their business, their management or their products or services, and that I will not otherwise do or say anything that could disrupt the good morale of employees of Parent, Employer or any of their respective affiliates or harm the interests or reputation of Parent, Employer or any of their affiliates.

12. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company shall prohibit or restrict me or my attorneys from: (a) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this General Release, or as required by law or legal process, including with respect to possible violations of law; (b) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; (c) accepting any U.S. Securities and Exchange Commission awards; or (d) engaging in concerted activity protected under the National Labor Relations Act (to the extent applicable), including relative to the terms and conditions of my employment, my ability to file unfair labor practice charges or assist others in doing so, and cooperating in any investigative process with the National Labor Relations Board. In addition, nothing in this General Release or any other agreement between me and the Company or any other policies of the Company prohibits or restricts me from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. Pursuant to 18 U.S.C. § 1833(b), I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company or its affiliates that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to my attorney and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the trade secret to my attorney and use the trade secret information in the court proceeding, if I file any document containing the trade secret under seal, and do not disclose the trade secret, except pursuant to court order. Nothing in this General Release or any other agreement between me and the Company or any other policies of the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section.
13. Upon my execution of this General Release, I acknowledge and agree that I have returned to the Company all documents and information (and all copies thereof) belonging or relating to the business of the Company as well as any other Company property or equipment which I have or have had in my possession at any time, including, but not limited to, files, notes, drawings, passwords, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers and/or cell phones), credit cards, entry cards, identification badges and keys, and any other materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).
14. This General Release, and the provisions contained in it, shall not be construed or interpreted for, or against, any party because that party drafted or caused that party's legal representatives to draft any of its provisions. This General Release is personal to me and may not be assigned by me. This General Release is binding on, and will inure to the benefit of, the Released Parties. The Released Parties are expressly intended to be third-

party beneficiaries of the releases set forth in paragraph 3, and it may be enforced by each of them. Except as otherwise designated herein, this General Release sets forth the parties' entire agreement with respect to the subject matter herein and shall supersede all prior and contemporaneous communications, agreements and understandings, written or oral, with respect thereto (for the avoidance of doubt, any Continuing Obligations remain in effect).

15. This General Release may not be modified or amended unless mutually agreed to in writing by the parties. This General Release may be executed in counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. An originally executed version of this General Release that is scanned as an image file (e.g., Adobe PDF, TIF, etc.) or is electronically signed (including via DocuSign or any other digital signature provider) and then delivered by one party to the other party via electronic mail as evidence of signature, shall, for all purposes hereof, be deemed an original signature. In addition, an originally executed version of this General Release that is delivered via facsimile by one party to the other party as evidence of signature shall, for all purposes hereof, be deemed an original.
16. This General Release will be governed, construed and interpreted under the laws of the State of [Texas][Wyoming] without regard to the application of any choice-of-law rules that would result in the application of another state's laws. The parties agree that any disputes between the parties shall be resolved only in the state or federal courts of [Texas] [Wyoming], and unconditionally submit to the jurisdiction of such courts.
17. This General Release creates legally binding obligations, and the Company has advised me to consult an attorney before I sign this General Release.
18. Employer may withhold from any and all amounts payable under this General Release such federal, state, local or foreign taxes as may be required to be withheld pursuant to any applicable law or regulation. The intent of the parties is that the payments contemplated under this General Release be either compliant with, or exempt from, Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder ("Code Section 409A"), and accordingly, to the maximum extent permitted, this General Release will be interpreted to be in compliance therewith or exempt therefrom. The parties hereby agree that my termination of employment and the Separation Date will constitute a "separation from service" within the meaning of Code Section 409A. Additionally, Section 6.10 of the Employment Agreement will apply mutatis mutandis to this General Release.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

- (1) I HAVE READ IT CAREFULLY;
- (2) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE ADEA;

- (3) I AM ENTERING INTO THIS GENERAL RELEASE KNOWINGLY, VOLUNTARILY, AND IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION TO WHICH I WOULD NOT BE ENTITLED IN THE ABSENCE OF EXECUTING AND NOT REVOKING THIS GENERAL RELEASE;
- (4) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;
- (5) I ACKNOWLEDGE I MAY NOT SIGN THIS GENERAL RELEASE BEFORE THE SEPARATION DATE;
- (6) I AM BEING PROVIDED 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS GENERAL RELEASE, WHICH WAS [\_\_], 20[\_\_], TO CONSIDER THE TERMS OF THIS GENERAL RELEASE, ALTHOUGH I MAY SIGN IT TIME SOONER (THOUGH NOT PRIOR TO THE SEPARATION DATE). THE PARTIES AGREE THAT ANY REVISIONS OR MODIFICATIONS TO THIS GENERAL RELEASE, WHETHER MATERIAL OR IMMATERIAL, WILL NOT RESTART THIS 21-DAY CONSIDERATION PERIOD. I HAVE SEVEN CALENDAR DAYS AFTER THE DATE ON WHICH I INITIALLY EXECUTE THIS GENERAL RELEASE TO REVOKE MY CONSENT TO THIS GENERAL RELEASE. SUCH REVOCATION MUST BE IN WRITING AND MUST BE EMAILED TO ERIC WILLIS AT [ERIC.WILLIS@AMPLIFYENERGY.COM](mailto:ERIC.WILLIS@AMPLIFYENERGY.COM). NOTICE OF SUCH REVOCATION MUST BE RECEIVED WITHIN THE SEVEN CALENDAR DAYS REFERENCED ABOVE. IF I DO NOT SIGN THIS GENERAL RELEASE OR IF I REVOKE MY EXECUTION OF THIS GENERAL RELEASE WITHIN THE SEVEN-DAY PERIOD REFERENCE ABOVE, THIS GENERAL RELEASE SHALL BE NULL AND VOID. PROVIDED THAT I DO NOT REVOKE THIS GENERAL RELEASE AS PROVIDED HEREIN, THIS GENERAL RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH CALENDAR DAY AFTER THE DATE ON WHICH I SIGN THIS AGREEMENT (THE "EFFECTIVE DATE"), PROVIDED THAT IT HAS ALSO BEEN EXECUTED BY AN OFFICER OF PARENT AND EMPLOYER AND DELIVERED TO ME.
- (7) I HAVE NOT RELIED ON ANY PROMISES OR REPRESENTATIVES, EXPRESS OR IMPLIED, THAT ARE NOT SET FORTH EXPRESSLY IN THIS GENERAL RELEASE; AND
- (8) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF PARENT, EMPLOYER AND BY ME.

**NOT TO BE EXECUTED PRIOR TO THE SEPARATION DATE**

**PARENT**

\_\_\_\_\_  
Date:

By:

\_\_\_\_\_  
Its:

**EMPLOYER**

\_\_\_\_\_  
Date:

By:

\_\_\_\_\_  
Its:

**[NAME]**

\_\_\_\_\_  
Name:

Date:

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Martyn Willsher, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amplify Energy Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: November 6, 2023

/s/ Martyn Willsher  
Martyn Willsher  
President and Chief Executive Officer  
Amplify Energy Corp.

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**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, James Frew, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amplify Energy Corp. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: November 6, 2023

/s/ James Frew

James Frew

Senior Vice President and Chief Financial Officer

Amplify Energy Corp.

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Amplify Energy Corp. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Martyn Willsher, President and Chief Executive Officer and James Frew, Senior Vice President and Chief Financial Officer, of Amplify Energy Corp., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2023

/s/ Martyn Willsher

Martyn Willsher  
President and Chief Executive Officer  
Amplify Energy Corp.

Date: November 6, 2023

/s/ James Frew

James Frew  
Senior Vice President and Chief Financial Officer  
Amplify Energy Corp.

The foregoing certifications are being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and, accordingly, are not being filed as part of the Report for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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