



## CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (“Agreement”), dated as of the \_\_\_\_ day of \_\_\_\_\_, 2018 (“Effective Date”), is between \_\_\_\_\_ (“\_\_\_\_\_” or “Counterparty”), and Wolf Midstream Partners (“Wolf”), hereinafter individually referred to as a “Party” and collectively referred to as the “Parties”.

**WHEREAS**, in connection with the Parties’ interest in the development by Wolf of a new crude oil transportation service from facilities originating in Big Spring and culminating in Colorado City (the “Offering”), the Parties propose to investigate the possibility of Counterparty becoming a committed shipper on the Offering (the “Potential Transaction”), and the Parties may furnish each other with certain confidential, non-public and/or proprietary information; and

**WHEREAS**, the Parties have agreed to hold the Confidential Information (as hereinafter defined) confidential in accordance with the terms of this Agreement:

**NOW, THEREFORE**, for and in consideration of a Party furnishing the other Parties with the Confidential Information and other good and valuable consideration, the Parties hereby agree as follows:

1. The term “Confidential Information” as used herein shall mean all information related to the Potential Transaction, which a Party (“Disclosing Party”) furnishes to the other Party (“Receiving Party”), on or after the Effective Date, in whatever form or medium provided (including, without limitation, oral communications), as well as all information generated by a Party or its Representatives that contains, reflects or is derived from the furnished information; provided, however, the term “Confidential Information” shall not include information which (i) is or becomes generally available to the public other than as a result of acts by a Receiving Party or anyone to whom a Receiving Party supplies the Confidential Information, (ii) was in a Receiving Party’s possession prior to the date it was disclosed to any Party by a Disclosing Party or its Representatives, (iii) is disclosed to a Receiving Party by a third party which is not, to a Receiving Party’s knowledge, prohibited from disclosing such information by a legal or fiduciary duty to a Disclosing Party, or (iv) is independently developed by a Receiving Party or any of its Representatives without the use of any Confidential Information. The term “Representatives” means, with respect to a Party, any affiliate of such Party and any director, officer, employee, partner, agent, lender (including potential lender), legal counsel and/or advisor of such Party or such affiliate.

The Confidential Information shall be kept confidential and shall not, without a Disclosing Party’s prior written consent, be disclosed by a Receiving Party or their Representatives in any manner whatsoever, in whole or in part, except as provided in this Agreement. The Parties consent and agree to transmission of the Confidential Information only to such of a Receiving Party’s Representatives who need to know the Confidential Information for the sole purpose of evaluating the Potential Transaction and who are informed by the Receiving Party of the confidential nature of the Confidential Information. Such Representatives shall be directed by a Receiving Party not to disclose the Confidential Information to any other person. Without the prior written consent of the other Parties, no Party nor any of their Representatives will disclose to any person the fact that they have received any of the Confidential Information or that discussions or negotiations are taking place concerning the possible Potential Transaction, including the status thereof. Counterparty represents and warrants to Wolf (a) that Counterparty is a bona fide potential shipper on the Offering and (b) that Counterparty is not participating in the open season for any other reason.

2. Each Party shall be responsible for any breach of this Agreement by any of its Representatives. In this regard, each Party agrees to pay or reimburse the other Parties for actual damages incurred as the result of its use of the Confidential Information in contravention of the terms of this Agreement. It is understood and agreed that a Disclosing Party may be irreparably and immediately harmed by any breach of this Agreement by a Receiving Party or their Representatives and may not be made whole by monetary damages. Accordingly, each Party agrees that, in addition to any other remedy to which a Party may be entitled at law or in equity, a Disclosing Party shall be entitled to seek an injunction or injunctions (without the posting of any bond and without proof of actual damages) to prevent breaches or threatened breaches of this Agreement and/or to compel specific performance of this



Agreement. **In no event shall any Party be entitled to exemplary, indirect, special, punitive, consequential damages and/or lost profits, even if such lost profits are foreseeable.**

3. If a Receiving Party or any of its Representatives are requested or required (by deposition, interrogatory, request for documents, subpoena, civil investigative demand from a regulatory agency or other governmental entity exercising jurisdiction over the Party or subject matter in question or similar process) to disclose any of the Confidential Information, Receiving Party shall, if legal permissible, provide Disclosing Party with prompt written notice of such request or requirement and shall cooperate with Disclosing Party so it may seek a protective order or other appropriate remedy, provided, however, that any effort by Receiving Party to cooperate with a Disclosing Party, should Disclosing Party seek to obtain a protective order concerning the Confidential Information, will be at a Disclosing Party's sole expense. Notwithstanding the issuance or non-issuance of a protective order or other remedy being obtained or not obtained, Receiving Party may produce such Confidential Information if in the opinion of counsel of Receiving Party, the Confidential Information is responsive to discovery requests or demands in the respective proceeding(s), but such Receiving Party shall exercise commercially reasonable efforts to request that confidential treatment will be accorded such Confidential Information.

4. Each Party to this Agreement reserves the right, in its sole and absolute discretion, to reject any or all proposals, to decline to furnish further Confidential Information, to deny access to its data and to terminate discussions and negotiations at any time without liability to the other Parties regarding the Potential Transaction. The exercise of these rights shall not affect the enforceability of any obligation arising under this Agreement before termination. Upon receipt of a notice in writing requesting any such termination of discussions and negotiations, Receiving Party agrees, within fifteen (15) calendar days after receipt of such request by Disclosing Party, to (i) return to Disclosing Party all Confidential Information delivered by Disclosing Party or its Representatives to a Receiving Party or its Representatives, and no copies, extracts or other reproduction shall be retained by a Receiving Party or its Representatives, and (ii) destroy all copies of any analyses, compilations, studies, or other documents, records or data prepared by Receiving Party or its Representatives which contain or otherwise reflect or are generated from the Confidential Information, and Receiving Party's authorized officer shall provide certification to a Disclosing Party that such Confidential Information has in fact been so destroyed. Notwithstanding the foregoing, (i) the obligation to return or destroy Confidential Information shall not cover information that is maintained on routine computer system backup tapes, disks or other backup storage devices as long as such backed-up information is not intentionally used, disclosed, or otherwise recovered from such backup devices, and (ii) Receiving Party may retain one copy of Confidential Information it receives and uses for the purpose of senior management or board of director briefing materials or to the extent required pursuant to any applicable law, governmental rule or regulation, stock exchange requirement, court order, administrative order or other official order by a governmental, judicial or regulatory authority. Any oral Confidential Information shall continue to be held confidential by Receiving Party and its Representatives, subject to the terms of this Agreement.

5. Although Receiving Party understands that Disclosing Party and its Representatives will include in the Confidential Information certain information that Disclosing Party or its Representatives believe to be relevant for the purpose of Receiving Party's evaluation of the Potential Transaction, Disclosing Party and/or its Representatives does not make or has made any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. Disclosing Party and its Representatives shall not have any liability to Receiving Party or any of its Representatives resulting from the use of the Confidential Information by Receiving Party or its Representatives. Only those representations and warranties that are made in a definitive agreement when, as, and if it is executed, and subject to such limitations and restrictions as may be specified in such definitive agreement, will have any legal effect.

6. The sole purpose of this Agreement is to assist the Parties in assessing their interest in the Potential Transaction and does not obligate either Party to enter into any future agreements. Unless and until a definitive agreement has been executed, (i) no contract or agreement providing for a transaction with the Disclosing Party shall be deemed to exist between the Receiving Party and the



Disclosing Party, and (ii) neither the Disclosing Party nor the Receiving Party will be under any legal obligation of any kind whatsoever with respect to any such transaction by virtue of this Agreement, or of any other written or oral expression by the Parties, except, in the case of this Agreement, for the matters specially agreed to herein. For purposes of this Agreement, the term “definitive agreement” does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or verbal acceptance of any offer or bid by either Party.

7. Neither the execution of this Agreement nor the actions of the Parties will establish a partnership, agency, joint venture or similar relationship, or obligate any Party to enter into such a relationship. The Parties expressly recognize and agree that this Agreement does not create any exclusive dealing arrangement between the Parties with respect to the Potential Transaction. The Parties expressly agree that the formation of any partnership, agency joint venture or similar relationship is subject to the following conditions precedent: (a) each Party shall have received approval from its senior management, and (b) the Parties shall have entered into a definitive agreement with respect to the formation of such relationship. Such conditions precedent shall only be waived by a writing executed by both Parties.

The Parties further recognize and agree that both Parties actively participate and compete within the market contemplated by the Potential Transaction and that the provision and receipt of any Confidential Information under this Agreement will not operate to preclude or prevent either Party from continuing to participate and compete with the other within such market or otherwise be construed as an agreement not to compete.

8. This Agreement shall be for sole benefit of the Parties hereto. This Agreement may be modified or waived only by a separate writing signed by the Parties. If any clause or provision of this Agreement is illegal, or unenforceable, then it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the Parties that in lieu of each clause or provision that is illegal, invalid or unenforceable, there be added as part of this Agreement a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable. This Agreement will be governed and construed in accordance with the laws of the State of Texas without regard to conflicts of law principles, or any substantive that would result in the application of any law other than the State of Texas. Any dispute relating to, arising out of, or connected with this Agreement shall be exclusively filed and maintained in a state or federal court located in Houston, Harris County, Texas.

9. All notices required or permitted to be given under this Agreement shall be in writing and deemed to be properly given if (a) delivered in person, or (b) sent by facsimile (provided that a positive transmittal sheet is generated and able to be provided), or (c) sent by United States certified mail with first class postage prepaid, or (d) delivered by private, prepaid courier, and addressed to the appropriate party. A Party may change its address by providing written notice to the other Parties, or to such other address as a Party shall from time to time designate. The notice details of the Parties are as follows:

**If to Wolf Midstream Partners:**

15950 N. Dallas Pkwy.; Suite 400  
Dallas, TX 75248  
Attention: Chief Executive Officer

**If to \_\_\_\_\_:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Fax: \_\_\_\_\_

Attn: \_\_\_\_\_

10. The obligations of the Parties under this Agreement to maintain the Confidential Information as confidential shall terminate two (2) years from the Effective Date.\

11. This Agreement may be delivered via facsimile or email/pdf, it being the express intent of the Parties that such Agreement signed and delivered via facsimile or email/pdf shall have the same force and effect as if it was an original.

12. No failure or delay by either Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power, or privilege hereunder. This Agreement represents the entire understanding and agreement of the Parties regarding the subject matter hereof and supersedes all prior agreements between the Parties regarding the matters contained herein. Neither Party may assign this Agreement without the other Party's prior written consent. The Parties agree that this Agreement was mutually negotiated, and that each Party participated in the drafting of this Agreement; and as such, no rule of contract construction or interpretation will be applied for or against either Party. In the event of any legal or equitable proceedings involving or relating to this Agreement, the prevailing Party shall be entitled to receive from the nonprevailing Party, in addition to any legal or equitable relief awarded to the prevailing Party, all of the costs and expenses (including but not limited to filing and court costs, expert witness fees and reasonable attorney's fees) incurred by the prevailing Party in any such proceedings (including any appeal(s) and/or other proceedings relating thereto).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]



IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

**Wolf Midstream Partners**

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

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

Title: \_\_\_\_\_

**[Counterparty]**

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

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

Title: \_\_\_\_\_

\