



AMEREN ENERGY MARKETING COMPANY ELECTRIC SERVICE AGREEMENT  
TERMS AND CONDITIONS

This Electric Service Agreement ("Agreement") is between AEM and Citation Oil & Gas Corp. ("Customer") and is dated and effective as of the date the Agreement is signed by Customer, for Retail Power (as defined in Exhibit A) provided to Customer at the service location(s) defined in Exhibit A. (Hereinafter AEM and Customer individually and collectively referred to as "Party" or "Parties", respectively). It is agreed and understood by AEM and Customer, to the extent there is any conflict in the interpretation or understanding of the Agreement with the offer described in Exhibit A, the terms and conditions of the Agreement supersede the provisions of the offer and are controlling.

AGREEMENT

1. ELECTRIC ENERGY SERVICES

AEM shall supply and deliver to Customer on a firm basis, and Customer shall exclusively purchase and receive from AEM all of the Full Requirement Retail Power associated with Customer's service location(s) (hereinafter "Retail Power"), pursuant to the terms and conditions which are described in the attached Exhibit A and incorporated herein for all purposes. The Retail Power will be delivered to the interconnection between the transmission system of the applicable transmission provider and the Delivery Service Provider's ("DSP") distribution system ("Delivery Point"). The DSP will be responsible for delivery of Retail Power to Customer's meter from the Delivery Point. The delivery of Retail Power over the DSP's distribution system is subject to the terms and conditions of the DSP relating to delivery and metering. Customer shall provide written notice as soon as practicable of any changes to Customer's Account and meter numbers and/or billing locations associated with Customer's delivery services. Customer is solely responsible for payments of all charges related to the delivery of the Retail Power from the DSP whether billed to AEM or Customer, and agrees to hold harmless and indemnify AEM from any liability, demand or payment for same. Customer shall receive the delivery service bill directly from the DSP and shall pay such bill according to the terms contained therein. Customer represents and warrants it is eligible to receive electric energy services from AEM and that it has given all required notices to the supplier currently serving Customer, if applicable.

2. TERM OF AGREEMENT

This Agreement shall be in effect for a term as noted in Exhibit A unless the Parties shall mutually agree to extend the Term of this Agreement in writing.

3. TAXES

Except for taxes on the gross income of AEM, all federal, state, and municipal or other governmental subdivision taxes, assessments, fees, use taxes, sales taxes or excise taxes, or similar taxes or fees incurred by reason of Retail Power services performed under this Agreement are the sole responsibility of Customer, and Customer agrees to hold harmless and indemnify AEM from any liability, demand or payment for same. It is understood that AEM is responsible for all taxes applicable prior to AEM's delivery to the Delivery Point, and AEM agrees to hold harmless and indemnify Customer from any liability, demand or payment for same.

4. CONFIDENTIALITY

Customer and Customer's agents and AEM and/or AEM's agents shall treat as confidential all terms and conditions of this Agreement, including all information and documentation exchanged by the Parties during the negotiations of this Agreement. Neither Party will disclose terms and conditions of this Agreement to any other party without first receiving the consent of the other Party, which consent shall not be unreasonably withheld, except as required by law, rule or regulation or pursuant to any judicial or administrative proceeding. Notwithstanding the foregoing, AEM and/or AEM's agents and Customer and/or Customer's agents shall be allowed to acknowledge that an Agreement for Retail Power services does exist between the Parties. AEM shall not identify Customer or its related information in press releases, brochures and similar marketing materials, financial reports and prospectuses without the prior written consent of Customer, which consent will not be unreasonably withheld. At AEM's discretion, third-party agents of Customer may be asked to execute a confidentiality agreement.

5. WARRANTY, DISCLAIMER AND LIMITATION OF LIABILITY

AEM warrants title to all Retail Power delivered hereunder, and sells such Retail Power to Customer free from liens and adverse claims, to the Delivery Point. **THIS IS AEM'S ONLY WARRANTY CONCERNING THE RETAIL POWER SERVICES PROVIDED HEREUNDER, AND IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE. AEM DOES NOT GUARANTEE UNINTERRUPTED SERVICE AND SHALL NOT BE LIABLE FOR ANY**

DAMAGES SUSTAINED BY CUSTOMER BY REASON OF ANY FAILURE, ALTERATION OR INTERRUPTION OF SERVICE. NEITHER PARTY SHALL BE RESPONSIBLE UNDER ANY CIRCUMSTANCES FOR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE, INCURRED BY THE OTHER PARTY.

**6. FORCE MAJEURE**

To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement and any Exhibit, and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations under this Agreement and any Exhibit (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure). The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party for the period excused by Force Majeure. If the Force Majeure event extends beyond twenty (20) days, the non-Claiming Party may terminate this Agreement immediately upon written notice to the other Party. Any termination due to Force Majeure will not be subject to an early termination payment.

"Force Majeure" shall mean an event or circumstance which prevents the Claiming Party from performing its obligations or causes delay in the Claiming Party's performance under this Agreement, which event or circumstance was not anticipated as of the date this Agreement was agreed to, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence or use of good utility practice, as defined in the applicable transmission tariff, the Claiming Party is unable to overcome or avoid or cause to be avoided, such as, but not limited to, acts of God; fire; flood; earthquake; war; riots; strikes, walkouts, lockouts and other labor disputes that affect Customer or AEM. Force Majeure shall not be based on 1) Customer's inability to economically use the Retail Power purchased hereunder; or 2) AEM's ability to sell the Retail Power at a price greater than the price under this Agreement.

**7. CHANGES IN LAW OR REGULATION**

In the event that any change or enactment in any rule, regulation, DSP's operating procedure, tariff, applicable transmission tariff, ordinance, statute, or law affecting the sale or transmission, distribution, or purchase or other obligation pertaining to renewable energy resources of any kind or nature, of Retail Power to Customer (including but not limited to any administrative ruling, interpretation, or judicial decision) alters to the detriment of AEM its ability to deliver Retail Power at the pricing set forth in this Agreement, as determined in its sole discretion and judgment, AEM shall, except in the instances where the change or enactment relates to the pricing or charges associated with the transmission charge or RPS charge as provided for in Exhibit A, whereby those terms are controlling, 1) provide written notice to Customer of the change; 2) identify the change in pricing necessary to ameliorate the impact of the change, and 3) state the date upon which such new pricing shall be effective, which date shall not be less than thirty (30) days from the date of the written notice and shall coincide with the next Monthly Billing Cycle invoice that follows the thirty (30) day period.

**8. ASSIGNMENT**

This Agreement shall be binding on each Party's successors and permitted assigns. Neither Party shall assign this Agreement or its rights without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided, however, either Party may 1) assign its rights and obligations under this Agreement to an affiliate without consent of the other Party, subject to the affiliate's satisfactory creditworthiness, or 2) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets, subject to the assignee's satisfactory creditworthiness; provided, however, that in each such case, any such assignee shall agree in writing to be bound by the terms and conditions hereof and so long as the transferring Party delivers such tax and enforceability assurances as the non-transferring Party may reasonably request. Creditworthiness under this section is to be determined by the non-transferring Party.

**9. WAIVER**

Except as otherwise set forth in this Agreement, failure or delay on the part of either Party to exercise any right, power, or privilege under this Agreement shall not operate as a waiver of such right, power or privilege of this Agreement.