

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

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

Date of report (Date of earliest event reported): December 21, 2021

RATTLER MIDSTREAM LP

(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-38919
(Commission
File Number)

83-1404608
(I.R.S. Employer
Identification Number)

**500 West Texas
Suite 1200
Midland, TX**
(Address of principal
executive offices)

79701
(Zip code)

(432) 221-7400
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

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

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

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Units	RTLR	The Nasdaq Stock Market LLC (NASDAQ Global Select Market)

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

Emerging growth company

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

Explanatory Note

On December 22, 2021, Rattler Midstream LP (“Rattler”) completed certain actions with respect to an internal reorganization (the “Reorganization”), including the contribution (the “Contribution”) of 100% of the limited liability company interests Rattler held in Rattler Midstream Operating LLC (“Rattler OpCo”) to Rattler Holdings LLC, a newly-formed, wholly-owned subsidiary of Rattler (“Rattler HoldCo”). As a result of the Contribution, Rattler HoldCo was admitted as a member of Rattler OpCo, and replaced Rattler as the managing member of Rattler OpCo.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On December 22, 2021, Rattler OpCo amended and restated its Second Amended and Restated Limited Liability Company Agreement (as amended and restated, the “Third Restated LLC Agreement”) to, among other things, reflect the admission of Rattler HoldCo as a member of Rattler OpCo following the Contribution and the substitution of Rattler HoldCo as the managing member of Rattler OpCo.

The foregoing description of the Third Restated LLC Agreement is not complete and is qualified in its entirety by reference to the full text of the Third Restated LLC Agreement, which is filed as Exhibit 3.1 to this Current Report on Form 8-K and incorporated in this Item 5.03 by reference.

Item 8.01. Other Events.

Third Amendment to Credit Agreement

On December 21, 2021, Rattler, as parent, entered into a third amendment (the “Third Amendment”) to the Credit Agreement, dated as of May 28, 2019, with Rattler OpCo, as borrower, Wells Fargo Bank, National Association, as administrative agent, and the lenders from time to time party thereto (the “Credit Agreement”) to, among other things, (i) permit the Reorganization, including, without limitation, the formation of Rattler HoldCo and the Contribution and (ii) provide for the addition of Rattler HoldCo as a Guarantor and Restricted Subsidiary (as such terms are defined in the Credit Agreement).

The foregoing description of the Third Amendment is not complete and is qualified in its entirety by reference to the full text of the Third Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated in this Item 8.01 by reference.

Amended and Restated Services and Secondment Agreement

On December 22, 2021, the Services and Secondment Agreement among Rattler, Rattler OpCo, Rattler Midstream GP LLC, Diamondback Energy, Inc. and Diamondback E&P LLC, dated effective as of May 28, 2019, was amended and restated (as amended and restated, the “Restated Services and Secondment Agreement”) to add Rattler HoldCo as a party to the Services and Secondment Agreement to support Rattler HoldCo’s role as the managing member of Rattler OpCo.

The foregoing description of the Restated Services and Secondment Agreement is not complete and is qualified in its entirety by reference to the full text of the Restated Services and Secondment Agreement, which is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated in this Item 8.01 by reference.

Item 9.01. Financial Statements and Exhibits.

Number	Exhibit
3.1	Third Amended and Restated Limited Liability Company Agreement of Rattler Midstream Operating LLC.
10.1	Third Amendment to Credit Agreement, dated as of December 21, 2021, among Rattler Midstream Operating LLC, as borrower, Rattler Midstream LP, as parent, Wells Fargo Bank, National Association, as administrative agent, and the lenders from time to time party thereto.
10.2	Amended and Restated Services and Secondment Agreement, dated as of December 22, 2021, by and among Diamondback Energy, Inc., Diamondback E&P LLC, Rattler Midstream GP LLC, Rattler Midstream LP, Rattler Holdings LLC and Rattler Midstream Operating LLC.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

SIGNATURE

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

RATTLER MIDSTREAM LP

By: Rattler Midstream GP LLC,
its general partner

Date: December 27, 2021

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Chief Financial Officer, Executive Vice President and Assistant Secretary

**THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
RATTLER MIDSTREAM OPERATING LLC**

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**THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
RATTLER MIDSTREAM OPERATING LLC**

A Delaware Limited Liability Company

This Third Amended and Restated Limited Liability Company Agreement of Rattler Midstream Operating LLC, a Delaware limited liability company, dated as of December 22, 2021, is entered into by and among Rattler Holdings LLC, a Delaware limited liability company, as Managing Member, Diamondback E&P LLC, a Delaware limited liability company, and Rattler Midstream LP, a Delaware limited partnership. In consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby agree as follows:

RECITALS

WHEREAS, Diamondback previously organized the Company as a Delaware limited liability company pursuant to a Limited Liability Company Agreement dated as of August 25, 2014;

WHEREAS, Diamondback contributed its 100% interest in the Company to Energen, and accordingly Energen became the sole member of the Company pursuant to the Amended and Restated Limited Liability Company Agreement dated as of February 18, 2019;

WHEREAS, in connection with the closing of the transaction contemplated by the Initial Public Offering, Energen and the Partnership entered into the Second Amended and Restated Limited Liability Company Agreement (the “**Previous Agreement**”) dated as of the IPO Closing Date;

WHEREAS, pursuant to an internal reorganization (the “**Reorganization**”), on June 30, 2021 Energen merged with and into Diamondback E&P, with Diamondback E&P as the surviving entity and becoming the successor in interest of Energen’s Membership Interests in the Company;

WHEREAS, effective as of the date hereof and pursuant to the terms of a certain Contribution Agreement between the Partnership and Rattler Holdings (the “**Contribution Agreement**”), the Partnership contributed all of its Managing Membership Interests in the Company to Rattler Holdings (the “**Contribution**”);

WHEREAS, the Members and the Partnership desire to amend and restate the Previous Agreement as provided herein in order to, among other things, give effect to the Reorganization and the Contribution and to reflect Rattler Holdings as the Managing Member.

NOW, THEREFORE, the Previous Agreement is hereby amended and, as so amended, is restated in its entirety as follows:

ARTICLE I DEFINITIONS

Section 1.1 *Definitions*. The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

“Adjusted Capital Account” means, with respect to any Member, the balance in such Member’s Capital Account at the end of each taxable period of the Company, after giving effect to the following adjustments: (a) credit to such Capital Account any amounts that such Member is obligated to restore under the standards set by Treasury Regulations Section 1.704-1(b)(2)(ii)(c) (or is deemed obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5)) and (b) debit to such Capital Account the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith. The **“Adjusted Capital Account”** of a Member in respect of any Membership Interest shall be the amount that such Adjusted Capital Account would be if such Membership Interest were the only interest in the Company held by such Member from and after the date on which such Membership Interest was first issued.

“Adjusted Property” means any property the Carrying Value of which has been adjusted pursuant to Section 5.3(d).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries Controls, is Controlled by or is under common Control with, the Person in question.

“Agreed Allocation” means any allocation, other than a Required Allocation, of an item of income, gain, loss or deduction pursuant to the provisions of Section 6.1, including a Curative Allocation (if appropriate to the context in which the term **“Agreed Allocation”** is used).

“Agreed Value” of (a) a Contributed Property means the fair market value of such property or other consideration at the time of contribution and (b) an Adjusted Property means the fair market value of such Adjusted Property on the date of the Revaluation Event, in each case as determined by the Managing Member.

“Agreement” means this Third Amended and Restated Limited Liability Company Agreement of Rattler Midstream Operating LLC, as it may be amended, modified, supplemented or restated from time to time.

“Associate” means, when used to indicate a relationship with any Person, (a) any corporation or organization of which such Person is a director, officer, manager, general partner or managing member or is, directly or indirectly, the owner of 20% or more of any class of voting stock or other voting interest, (b) any trust or other estate in which such Person has at least a 20% beneficial interest or as to which such Person serves as trustee or in a similar fiduciary capacity, and (c) any relative or spouse of such Person, or any relative of such spouse, who has the same principal residence as such Person.

“Bad Faith” means, with respect to any determination, action or omission, of any Person, board or committee, that such Person, board or committee reached such determination, or engaged in or failed to engage in such act or omission, with the belief that such determination, action or omission was adverse to the interest of the Company.

“Book-Tax Disparity” means, with respect to any item of Contributed Property or Adjusted Property, as of the date of any determination, the difference between the Carrying Value of such Contributed Property or Adjusted Property and the adjusted basis thereof for U.S. federal income tax purposes as of such date. A Member’s share of the Company’s Book-Tax Disparities in all of its Contributed Property and Adjusted Property will be reflected by the difference between such Member’s Capital Account balance as maintained pursuant to Section 5.3 and the hypothetical balance of such Member’s Capital Account computed as if it had been maintained strictly in accordance with U.S. federal income tax accounting principles.

“Business Day” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of Texas shall not be regarded as a Business Day.

“Capital Account” means the capital account maintained for a Member pursuant to Section 5.3. The “Capital Account” of a Member in respect of any Membership Interest shall be the amount that such Capital Account would be if such Membership Interest were the only interest in the Company held by such Member from and after the date on which such Membership Interest was first issued.

“Capital Contribution” means any cash, cash equivalents or the Net Agreed Value of Contributed Property that a Member contributes to the Company or that is contributed or deemed contributed to the Company on behalf of a Member (including in the case of an underwritten offering of Partnership Common Units, the amount of any underwriting discounts and commissions).

“Carrying Value” means (a) with respect to a Contributed Property or Adjusted Property, the Agreed Value of such property reduced (but not below zero) by all depreciation, amortization and other cost recovery deductions charged to the Members’ Capital Accounts in respect of such property and (b) with respect to any other Company property, the adjusted basis of such property for federal income tax purposes, all as of the time of determination. The Carrying Value of any property shall be adjusted from time to time in accordance with Section 5.3(d) and to reflect changes, additions or other adjustments to the Carrying Value for dispositions and acquisitions of Company properties, as deemed appropriate by the Managing Member.

“Cause” means a court of competent jurisdiction has entered a final, non-appealable judgment finding the Managing Member liable to the Company or any Non-Managing Member for actual fraud or willful misconduct in its capacity as a managing member of the Company.

“Certificate” means a certificate, in such form as may be adopted by the Managing Member, issued by the Company evidencing ownership of one or more classes of Membership Interests.

“Certificate of Formation” means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on July 29, 2014, as amended by (i) the Certificate of Amendment to the Certificate of Formation filed with the Secretary of State of the State of Delaware on March 15, 2017, (ii) the Certificate of Amendment to the Certificate of Formation filed with the Secretary of State of Delaware on December 14, 2018 and (iii) as may be further amended, supplemented or restated from time to time.

“Code” means the U.S. Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of any successor law.

“Commission” means the United States Securities and Exchange Commission.

“Company” means Rattler Midstream Operating LLC, a Delaware limited liability company.

“Company Group” means, collectively, the Company and its Subsidiaries.

“Company Minimum Gain” means that amount determined in accordance with the principles of Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

“Contributed Property” means each property or other asset, in such form as may be permitted by the Delaware Act, but excluding cash, contributed or deemed contributed to the Company. Once the Carrying Value of a Contributed Property is adjusted pursuant to Section 5.3(d), such property or other asset shall no longer constitute a Contributed Property, but shall be deemed an Adjusted Property.

“Contribution” has the meaning set forth in the Recitals.

“Control” or **“control”** (including the terms **“controlled”** or **“controlling”**) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“Curative Allocation” means any allocation of an item of income, gain, deduction, loss or credit pursuant to the provisions of Section 6.1(b)(xi).

“Delaware Act” means the Delaware Limited Liability Company Act, 6 Del C. Section 18-101, et seq., as amended, supplemented or restated from time to time, and any successor to such statute.

“Diamondback” means Diamondback Energy, Inc., a Delaware corporation.

“Diamondback E&P” means Diamondback E&P LLC, a Delaware limited liability company.

“Disqualified Person” means (a) a “tax-exempt entity” (unless such Person would be subject to tax under Section 511 of the Code on all income from the Company) or “tax-exempt controlled entity” (unless with respect to a “tax-exempt controlled entity,” an election is made under Section 168(h)(6)(F)(ii) of the Code) as those terms are defined in Section 168(h) of the Code; (b) a Person described in Section 50(b)(3) (unless such Person would be subject to tax under Section 511 of the Code on all income from the Company), Section 50(b)(4) or Section 50(d) of the Code; (c) an entity described in paragraph (4) of Section 54(j) of the Code; or (d) any partnership or other pass-through entity (including a single-member disregarded entity) any direct or indirect partner of which (or other direct or indirect holder of an equity or profits interest) is described in clauses (a) through (c) above, unless such Person holds its interest in the partnership or other pass-through entity indirectly through an entity taxable as a corporation for U.S. federal income tax purposes, other than an (i) a “tax-exempt controlled entity” as defined in Section 168(h) (unless with respect to a “tax-exempt controlled entity,” an election is made under Section 168(h)(6)(F)(ii) of the Code) or (ii) a corporation with respect to which the rules of Section 50(d) would apply.

“Economic Risk of Loss” has the meaning set forth in Treasury Regulations Section 1.752-2(a).

“Energen” means Energen Resources Corporation, an Alabama corporation and a wholly-owned subsidiary of Diamondback as of the IPO Closing Date.

“Equity Contribution Agreement” means the Equity Contribution Agreement, dated as of May 28, 2019, between the Partnership and the Company.

“Exchange Agreement” means the Exchange Agreement, dated as of May 28, 2019, among the Partnership, the General Partner, Energen and the Company.

“General Partner” means Rattler Midstream GP LLC, a Delaware limited liability company and its successors and permitted assigns that are admitted to the Partnership as the general partner of the Partnership, in their capacity as the general partner of the Partnership.

“Good Faith” means, with respect to any determination, action or omission, of any Person, board or committee, that such determination, action or omission was not taken in Bad Faith.

“Gross Liability Value” means, with respect to any Liability of the Company described in Treasury Regulations Section 1.752-7(b)(3)(i), the amount of cash that a willing assignor would pay to a willing assignee to assume such Liability in an arm’s-length transaction.

“Group” means two or more Persons that, with or through any of their respective Affiliates or Associates, have any contract, arrangement, understanding or relationship for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent given to such Person in response to a proxy or consent solicitation made to 10 or more Persons), exercising investment power over or disposing of any Membership Interests with any other Person that beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, Membership Interests.

“Group Member” means a member of the Company Group.

“Group Member Agreement” means the partnership agreement of any Group Member that is a limited or general partnership, the limited liability company agreement of any Group Member that is a limited liability company, other than the Company, the certificate of incorporation and bylaws or similar organizational documents of any Group Member that is a corporation, the joint venture agreement or similar governing document of any Group Member that is a joint venture and the governing or organizational or similar documents of any other Group Member that is a Person other than a limited or general partnership, limited liability company, corporation or joint venture, as such may be amended, supplemented or restated from time to time.

“Indemnitee” means (a) any Managing Member, (b) any Person who is or was an Affiliate of the Managing Member, (c) any Person who is or was a manager, managing member, general partner, director, officer, employee, agent, fiduciary or trustee of any Group Member, the Managing Member or any of their respective Affiliates, (d) any Person who is or was serving at the request of the Managing Member or any of its Affiliates as an officer, director, manager, managing member, general partner, employee, agent, fiduciary or trustee of another Person owing a fiduciary or similar duty to any Group Member; *provided* that a Person shall not be an Indemnitee by reason of providing, on a fee-for-services basis, trustee, fiduciary or custodial services, (e) any Person who controls the Managing Member and (f) any Person the Managing Member designates as an “Indemnitee” for purposes of this Agreement because such Person’s service, status or relationship exposes such Person to potential claims, demands, actions, suits or proceedings relating to the Company Group’s business and affairs.

“Initial Public Offering” means the initial offering and sale of Partnership Common Units to the public (including the offer and sale of Partnership Common Units pursuant to the Underwriters’ Option), as described in the IPO Registration Statement.

“IPO Closing Date” means May 28, 2018, the first date on which the Partnership Common Units were sold by the Partnership to the IPO Underwriters pursuant to the provisions of the Underwriting Agreement.

“IPO Option Amount” has the meaning set forth in [Section 5.1\(e\)](#).

“IPO Proceeds Amount” has the meaning set forth in [Section 5.1\(c\)](#).

“IPO Registration Statement” means the Registration Statement on Form S-1 (File No. 333-226645) as it has been or as it may be amended or supplemented from time to time, filed by the Partnership with the Commission under the Securities Act to register the offering and sale of Partnership Common Units in the Initial Public Offering.

“IPO Underwriter” means each Person named as an underwriter in Schedule I to the Underwriting Agreement who purchases Partnership Common Units pursuant thereto.

“Liability” means any liability or obligation of any nature, whether accrued, contingent or otherwise.

“Liquidation Date” means the date on which any event giving rise to the dissolution of the Company occurs.

“**Liquidator**” means one or more Persons selected by the Managing Member to perform the functions described in Section 12.2 as liquidating trustee of the Company within the meaning of the Delaware Act.

“**Managing Member**” means Rattler Holdings LLC, a Delaware limited liability company, and its successors and permitted assigns that are admitted to the Company as the managing member of the Company, in its capacity as the managing member of the Company. The Managing Member is the sole managing member of the Company and the holder of the Managing Member Interest.

“**Managing Member Interest**” means the interest of the Managing Member in the Company (in its capacity as managing member without reference to any Membership Interest), evidenced by Units held by the Managing Member, and includes any and all rights, powers and benefits to which the Managing Member is entitled as provided in this Agreement, together with all obligations of the Managing Member to comply with the terms and provisions of this Agreement.

“**Member**” means any of the Managing Member and the Non-Managing Members.

“**Member Nonrecourse Debt**” has the meaning set forth in Treasury Regulations Section 1.704-2(b)(4).

“**Member Nonrecourse Debt Minimum Gain**” has the meaning set forth in Treasury Regulations Section 1.704-2(i)(2).

“**Member Nonrecourse Deductions**” means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code), that, in accordance with the principles of Treasury Regulations Section 1.704-2(i), are attributable to a Member Nonrecourse Debt.

“**Membership Interest**” means, as applicable, the Managing Member Interest and any Non-Managing Member Interests.

“**National Securities Exchange**” means an exchange registered with the Commission under Section 6(a) of the Securities Exchange Act (or any successor to such Section) and any other securities exchange (whether or not registered with the Commission under Section 6(a) of the Securities Exchange Act (or successor to such Section)) that the Managing Member shall designate as a National Securities Exchange for purposes of this Agreement.

“**Net Agreed Value**” means, (a) in the case of any Contributed Property, the Agreed Value of such Contributed Property reduced by any Liabilities either assumed by the Company upon such contribution or to which such Contributed Property is subject when contributed and (b) in the case of any property distributed to a Member by the Company, the Company’s Carrying Value of such property (as adjusted pursuant to Section 5.3(d)) at the time such property is distributed, reduced by any Liabilities either assumed by such Member upon such distribution or to which such property is subject at the time of distribution, in either case as determined and required by the Treasury Regulations promulgated under Section 704(b) of the Code.

“**Net Income**” means, for any taxable period, the excess, if any, of the Company’s items of income and gain for such taxable period over the Company’s items of loss and deduction for such taxable period. The items included in the calculation of Net Income shall be determined in accordance with Section 5.3(b).

“**Net Loss**” means, for any taxable period, the excess, if any, of the Company’s items of loss and deduction for such taxable period over the Company’s items of income and gain for such taxable period. The items included in the calculation of Net Loss shall be determined in accordance with Section 5.3(b).

“**Non-Managing Member**” means Diamondback E&P and each additional Person other than the Managing Member that owns one or more Units.

“**Non-Managing Member Interest**” means an interest of a Non-Managing Member in the Company, evidenced by Units held by such Non-Managing Member, and includes any and all benefits to which such Member is entitled as provided in this Agreement, together with all obligations of such Member pursuant to the terms and provisions of this Agreement.

“**Noncompensatory Option**” has the meaning set forth in Treasury Regulations Section 1.721-2(f).

“**Nonrecourse Built-in Gain**” means with respect to any Contributed Properties or Adjusted Properties that are subject to a mortgage or pledge securing a Nonrecourse Liability, the amount of any taxable gain that would be allocated to the Members pursuant to Section 6.2(b) if such properties were disposed of in a taxable transaction in full satisfaction of such liabilities and for no other consideration.

“**Nonrecourse Deductions**” means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2) (B) of the Code) that, in accordance with the principles of Treasury Regulations Section 1.704-2(b)(1), are attributable to a Nonrecourse Liability.

“**Nonrecourse Liability**” has the meaning set forth in Treasury Regulations Section 1.752-1(a)(2).

“**Outstanding**” means, with respect to Membership Interests, all Membership Interests that are issued by the Company and reflected as outstanding on the books and records as of the date of determination; *provided* that any Unit held by a holder of Partnership Class B Units shall not be entitled to vote and shall not be considered to be Outstanding for voting purposes under this Agreement.

“**Partnership**” means Rattler Midstream LP, a Delaware limited partnership.

“**Partnership Agreement**” means the First Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of May 28, 2019, as the same may be amended, supplemented or restated from time to time.

“Partnership Class B Unit” means a limited partner interest in the Partnership having the rights and obligations specified with respect to “Class B Units” in the Partnership Agreement.

“Partnership Common Unit” means a limited partner interest in the Partnership having the rights and obligations specified with respect to “Common Units” in the Partnership Agreement.

“Partnership Representative” has the meaning set forth in Section 9.4(a).

“Percentage Interest” means as of any date of determination as to any Unitholder with respect to Units, the quotient obtained by dividing (a) the number of Units held by such Unitholder by (b) the total number of Outstanding Units.

“Person” means an individual or a corporation, firm, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

“Previous Agreement” has the meaning set forth in the Recitals.

“Pro Rata” means (a) when used with respect to Units or any class thereof, apportioned among all designated Units in accordance with their relative Percentage Interests and (b) when used with respect to Members or Record Holders, apportioned among all Members or Record Holders in accordance with their relative Percentage Interests.

“Quarter” means, unless the context requires otherwise, a fiscal quarter of the Company.

“Rattler Holdings” means Rattler Holdings LLC, a Delaware limited liability company.

“Recapture Income” means any gain recognized by the Company (computed without regard to any adjustment required by Section 734 or Section 743 of the Code) upon the disposition of any property or asset of the Company, which gain is characterized as ordinary income because it represents the recapture of deductions previously taken with respect to such property or asset.

“Record Date” means the date established by the Managing Member or otherwise in accordance with this Agreement for determining the identity of Record Holders entitled to receive any report or distribution or to participate in any offer.

“Record Holder” means the Person in whose name any Membership Interest is registered in the books and records of the Company as of the Company’s close of business on a particular Business Day.

“Reorganization” has the meaning set forth in the Recitals.

“Required Allocations” means any allocation of an item of income, gain, loss or deduction pursuant to Section 6.1(b)(i), Section 6.1(b)(ii), Section 6.1(b)(iii), Section 6.1(b)(iv), Section 6.1(b)(v), Section 6.1(b)(vi), and Section 6.1(b)(viii).

“Revaluation Event” means an event that results in an adjustment of the Carrying Value of each Company property pursuant to Section 5.3(d).

“**Securities Exchange Act**” means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time, and any successor to such statute.

“**Subsidiary**” means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general partner of such partnership, but only if such Person, directly or by one or more Subsidiaries of such Person, or a combination thereof, controls such partnership, directly or indirectly, at the date of determination or (c) any other Person in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

“**transfer**” has the meaning set forth in [Section 4.4\(a\)](#).

“**Treasury Regulations**” means the regulations (including temporary regulations) promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Code. All references herein to sections of the Treasury Regulations shall include any corresponding provision or provisions of succeeding, similar or substitute, temporary or final Treasury Regulations.

“**Underwriters’ Option**” means the option to purchase additional Partnership Common Units granted to the IPO Underwriters by the Partnership pursuant to the Underwriting Agreement.

“**Underwriters’ Option Closing Date**” means May 30, 2019, the date on which 5,700,000 Partnership Common Units were sold by the Partnership to the IPO Underwriters pursuant to the IPO Underwriters’ exercise of the Underwriters’ Option in full pursuant to the provisions of the Underwriting Agreement.

“**Underwriting Agreement**” means the Underwriting Agreement, dated as of May 22, 2019, among the IPO Underwriters, the Company, the Partnership, the General Partner and Diamondback providing for the purchase of Partnership Common Units by the IPO Underwriters.

“**Unit**” means a limited liability company interest in the Company having the rights and obligations specified with respect to “Units” in this Agreement; *provided* that any Unit held by a holder of Partnership Class B Units shall not be entitled to vote and shall not be considered to be Outstanding for voting purposes under this Agreement.

“**Unitholders**” means the Record Holders of Units.

“**Unrealized Gain**” means, as of any date of determination, the excess, if any, attributable to any item of Company property, of (a) the fair market value of such property as of such date (as determined under [Section 5.3\(d\)](#)) over (b) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to [Section 5.3\(d\)](#) as of such date).

“Unrealized Loss” means, as of any date of determination, the excess, if any, attributable to any item of Company property, of (a) the Carrying Value of such property as of such date (prior to any adjustment to be made pursuant to Section 5.3(d), as of such date) over (b) the fair market value of such property as of such date (as determined under Section 5.3(d)).

“U.S. GAAP” means United States generally accepted accounting principles, as in effect from time to time, consistently applied.

Section 1.2 *Construction*. Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; (c) the terms “include,” “includes,” “including” and words of like import shall be deemed to be followed by the words “without limitation”; and (d) the terms “hereof,” “herein” and “hereunder” refer to this Agreement as a whole and not to any particular provision of this Agreement. The table of contents and headings contained in this Agreement are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement. The Managing Member has the power to construe and interpret this Agreement and to act upon any such construction or interpretation. Any construction or interpretation of this Agreement by the Managing Member and any action taken pursuant thereto and any determination made by the Managing Member in good faith shall, in each case, be conclusive and binding on all Record Holders and all other Persons for all purposes.

ARTICLE II ORGANIZATION

Section 2.1 *Formation*. The Company was formed as a limited liability company pursuant to the provisions of the Delaware Act. The Members hereby amend and restate the Previous Agreement in its entirety, effective as of the date of this Agreement. Except as expressly provided to the contrary in this Agreement, the rights, duties, liabilities and obligations of the Members and the administration, dissolution and termination of the Company shall be governed by the Delaware Act.

Section 2.2 *Name*. The name of the Company shall be “Rattler Midstream Operating LLC.” Subject to applicable law, the Company’s business may be conducted under any other name or names as determined by the Managing Member, including the name of the Managing Member. The words “limited liability company,” “LLC” or similar words or letters shall be included in the Company’s name where necessary for the purpose of complying with the laws of any jurisdiction that so requires. The Managing Member may change the name of the Company at any time and from time to time and shall notify the Non-Managing Member(s) of such change in the next regular communication to the Non-Managing Member(s).

Section 2.3 *Registered Office; Registered Agent; Principal Office; Other Offices*. Unless and until changed by the Managing Member, the registered office of the Company in the State of Delaware shall be located at 251 Little Falls Drive, Wilmington, Delaware 19808, and the registered agent for service of process on the Company in the State of Delaware at such registered office shall be Corporation Service Company. The principal office of the Company shall be located at 500 West Texas Avenue, Suite 1200, Midland, Texas 79701 or such other place as the

Managing Member may from time to time designate by notice to the other Members. The Company may maintain offices at such other place or places within or outside the State of Delaware as the Managing Member determines to be necessary or appropriate. The address of the Managing Member shall be 500 West Texas Avenue, Suite 1200, Midland, Texas 79701 or such other place as the Managing Member may from time to time designate by notice to the other Members.

Section 2.4 *Purpose and Business*. The purpose and nature of the business to be conducted by the Company shall be to (a) engage directly in, or enter into or form, hold and dispose of any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that is approved by the Managing Member, in its sole discretion, and that lawfully may be conducted by a limited liability company organized pursuant to the Delaware Act and, in connection therewith, to exercise all of the rights and powers conferred upon the Company pursuant to the agreements relating to such business activity and (b) do anything necessary or appropriate to the foregoing, including the making of capital contributions or loans to a Group Member; *provided, however*, that the Managing Member shall not cause the Company to engage, directly or indirectly, in any business activity that the Managing Member determines would be reasonably likely to cause the Company to be treated as an association taxable as a corporation or otherwise taxable as an entity for federal income tax purposes. The Managing Member has no obligation or duty (including any fiduciary duty) to the Company or the other Members to propose or approve, and may decline to propose or approve, the conduct by the Company of any business in its sole discretion.

Section 2.5 *Powers*. The Company shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in Section 2.4 and for the protection and benefit of the Company.

Section 2.6 *Term*. The term of the Company commenced upon the filing of the Certificate of Formation in accordance with the Delaware Act and shall continue in existence until the dissolution of the Company in accordance with the provisions of Article XII. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate of Formation as provided in the Delaware Act.

Section 2.7 *Title to Company Assets*. Title to the assets of the Company, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Company as an entity, and no Member, individually or collectively, shall have any ownership interest in such assets of the Company or any portion thereof. Title to any or all assets of the Company may be held in the name of the Company, the Managing Member, one or more of its Affiliates or one or more nominees of the Managing Member or its Affiliates, as the Managing Member may determine. The Managing Member hereby declares and warrants that any assets of the Company for which record title is held in the name of the Managing Member or one or more of its Affiliates or one or more nominees of the Managing Member or its Affiliates shall be held by the Managing Member or such Affiliate or nominee for the use and benefit of the Company in accordance with the provisions of this Agreement; *provided, however*, that the Managing Member shall use reasonable efforts to cause record title to such assets (other than those assets in respect of which the Managing Member determines that the expense and difficulty of conveyancing makes

transfer of record title to the Company impracticable) to be vested in the Company or one or more of the Company's designated Affiliates as soon as reasonably practicable; *provided, further*, that, prior to the withdrawal or removal of the Managing Member or as soon thereafter as practicable, the Managing Member shall use reasonable efforts to effect the transfer of record title to the Company and, prior to any such transfer, will provide for the use of such assets in a manner satisfactory to any successor Managing Member. All assets of the Company shall be recorded as the property of the Company in its books and records, irrespective of the name in which record title to such assets of the Company is held.

ARTICLE III RIGHTS OF MEMBERS

Section 3.1 *Limitation of Liability*. The Members shall have no liability under this Agreement except as expressly provided in this Agreement or the Delaware Act.

Section 3.2 *Management of Business*. Other than the Managing Member, no Member, in its capacity as such, shall participate in the operation, management or control of the Company's business, transact any business in the Company's name or have the power to sign documents for or otherwise bind the Company.

Section 3.3 *Outside Activities of Members*. Each Member shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Company, including business interests and activities in direct competition with the Company Group. Neither the Company nor any of the other Members shall have any rights by virtue of this Agreement in any business ventures of any Member.

Section 3.4 *Rights of Members*.

(a) Each Member shall have the right, upon written request and at such Member's own expense to obtain a copy of this Agreement and the Certificate of Formation and all amendments thereto.

(b) Each of the Members and each other Person or Group who acquires an interest in Membership Interests hereby agrees to the fullest extent permitted by law that they do not have any rights as Members to receive any information either pursuant to Section 18-305(a) of the Delaware Act or otherwise except for the right to obtain a copy of this Agreement and the Certificate of Formation set forth in Section 3.4(a).

ARTICLE IV CERTIFICATES; RECORD HOLDERS; TRANSFER OF MEMBERSHIP INTERESTS

Section 4.1 *Certificates*. Notwithstanding anything to the contrary in this Agreement, unless the Managing Member shall determine otherwise in respect of some or all of any or all classes of Membership Interests, Membership Interests shall not be evidenced by certificates. Certificates that are issued, if any, shall be executed on behalf of the Company by the President, Chief Executive Officer or any Vice President and the Chief Financial Officer or the Secretary or any Assistant Secretary of the Company or the Managing Member.

Section 4.2 *Unitholders*. The names and addresses of the Members and number of Units of the Members are set forth on Exhibit A attached hereto and incorporated herein. The Managing Manager is hereby authorized to complete or amend Exhibit A from time to time to reflect the admission of Members, the withdrawal of a Member, the forfeiture of some or all of the interests of a Member, the transfer of any Membership Interests, and the change of address and other information called for by Exhibit A related to any Member, and to correct, update or amend Exhibit A at any time and from time to time. Such completion, correction or amendment may be made from time to time as and when the Managing Member considers it appropriate.

Section 4.3 *Record Holders*. The Company and the Managing Member shall be entitled to recognize the Record Holder as the Member with respect to any Membership Interest and, accordingly, shall not be bound to recognize any equitable or other claim to, or interest in, such Membership Interest on the part of any other Person, regardless of whether the Company shall have actual or other notice thereof, except as otherwise provided by law.

Section 4.4 *Transfer by Members*.

(a) The term “*transfer*,” when used in this Agreement with respect to a Membership Interest, shall mean a transaction by which the holder of a Membership Interest assigns all or any part of such Membership Interest to another Person who is or becomes a Member as a result thereof, and includes a sale, assignment, gift, exchange or any other disposition by law or otherwise (but not, in the case of the Membership Interests owned by the Managing Member, the pledge, grant of security interest, encumbrance, hypothecation or mortgage), including any transfer upon foreclosure or other exercise of remedies of any pledge, security interest, encumbrance, hypothecation or mortgage. For the avoidance of doubt, the Managing Member is permitted to pledge, encumber and/or grant a lien or other security interest in any or all of its Units.

(b) No Member may transfer all or any portion of its Units or other Membership Interests except with the written consent of the Managing Member (which may be granted or withheld in its sole discretion); *provided, further*, that notwithstanding the foregoing and subject to the provisions of Section 4.5, a Non-Managing Member may not transfer any of such Member’s Units pursuant to and in accordance with the Exchange Agreement and the Partnership Agreement unless the Company provides a written determination in Good Faith based on the most current practically available geological data that there is sufficient Unrealized Gain or Unrealized Loss (or to the extent necessary, items thereof) attributable to the Company assets to make an allocation pursuant to Section 6.1(b)(ix) to cause the Capital Account balances of the Members to be equal to the same ratio as the Members’ Percentage Interests immediately prior to such transfer. In addition, unless the Managing Member determines in Good Faith that a proposed transfer would violate Section 4.5, the Managing Member shall be deemed to have consented to a transfer of Units by a Non-Managing Member to an Affiliate of such Member; *provided*, that in connection with any such transfer, the transferor shall transfer an equivalent number of Partnership Class B Units to the transferee, in accordance with the terms of the Partnership Agreement. Any purported transfer of all or a portion of a Member’s Units or other Membership Interests not complying with this Section 4.4(b) shall be void and shall not create any obligation on the part of the Company or the other Members to recognize that transfer or to deal with the Person to which the transfer purportedly was made.

Section 4.5 *Restrictions on Transfers.*

(a) Notwithstanding the other provisions of this Article IV, (i) no transfer of any Membership Interests shall be made if such transfer would (A) violate the then-applicable federal or state securities laws or rules and regulations of the Commission, any state securities commission or any other governmental authority with jurisdiction over such transfer; (B) terminate the existence or qualification of the Company under the laws of the jurisdiction of its formation; or (C) cause the Company to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for U.S. federal income tax purposes (to the extent not already so treated or taxed) and (ii) any transfer of a Membership Interest to a Disqualified Person will be void *ab initio*.

(b) The Managing Member may impose restrictions on the transfer of Membership Interests if it receives written advice of counsel that such restrictions are necessary or advisable to avoid a significant risk of the Company's becoming taxable as a corporation or otherwise becoming taxable as an entity for federal income tax purposes (to the extent not already so treated or taxed). The Managing Member may impose such restrictions by amending this Agreement.

ARTICLE V
CAPITAL CONTRIBUTIONS AND ISSUANCE OF MEMBERSHIP INTERESTS

Section 5.1 *Capitalization.*

(a) Prior to the IPO Closing Date, Energen and its predecessor contributed assets to the Company with respect to its 100% ownership interest in the Company.

(b) On the IPO Closing Date, Energen's 100% ownership interest in the Company was converted into 107,815,152 Units.

(c) On the IPO Closing Date and pursuant to the Equity Contribution Agreement, the Partnership made a Capital Contribution to the Company in the amount of \$631,750,000 (the "***IPO Proceeds Amount***") in exchange for the issuance by the Company to the Partnership of 38,000,000 Units.

(d) On the IPO Closing Date, the Company distributed an amount to Energen in cash equal to the IPO Proceeds Amount as reimbursement for capital expenditures to the maximum extent permitted under Section 1.707-4(d) of the Treasury Regulations, and any amount that does not qualify under such regulation being treated as disguised sales proceeds under Section 1.707-3(a) of the Treasury Regulations, in each case, to the extent applicable.

(e) On the Underwriters' Option Closing Date and pursuant to the Equity Contribution Agreement, the Partnership made a Capital Contribution to the Company in the amount of \$94,762,500 (the "***IPO Option Amount***") in exchange for the issuance by the Company to the Partnership of 5,700,000 Units.

(f) On the Underwriters' Option Closing Date, the Company distributed an amount to Energen in cash equal to the IPO Option Amount (to the extent not fully reimbursed pursuant to Section 5.1(d)) as reimbursement for capital expenditures to the maximum extent permitted under Section 1.707-4(d) of the Treasury Regulations, and any amount that does not qualify under such regulation being treated as disguised sales proceeds under Section 1.707-3(a) of the Treasury Regulations, in each case, to the extent applicable.

(g) On the date hereof, pursuant to the Contribution Agreement, the Partnership contributed all of its Managing Membership Interests to Rattler Holdings.

(h) Except as set forth in Section 5.5, Neither the Managing Member nor any Non-Managing Member will be required to make any additional Capital Contribution to the Company pursuant to this Agreement.

Section 5.2 Interest and Withdrawal. No interest shall be paid by the Company on Capital Contributions. No Member shall be entitled to the withdrawal or return of its Capital Contribution, except to the extent, if any, that distributions made pursuant to this Agreement or upon termination of the Company may be considered as such by law and then only to the extent provided for in this Agreement. Except to the extent expressly provided in this Agreement, no Member shall have priority over any other Member either as to the return of Capital Contributions or as to profits, losses or distributions.

Section 5.3 Capital Accounts.

(a) The Company shall maintain for each Member (or a beneficial owner of Membership Interests held by a nominee, agent or representative in any case in which such nominee, agent or representative has furnished the identity of such beneficial owner to the Company in accordance with Section 6031(c) of the Code or any other method acceptable to the Managing Member) owning a Membership Interest a separate Capital Account with respect to such Membership Interest in accordance with the rules of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account shall in respect of each such Membership Interest be increased by (i) the amount of all Capital Contributions made to the Company with respect to such Membership Interest (including the amount paid to the Company for any Noncompensatory Option) and (ii) all items of Company income and gain (including income and gain exempt from tax) computed in accordance with Section 5.3(b) and allocated with respect to such Membership Interest pursuant to Section 6.1, and decreased by (x) the amount of cash or Net Agreed Value of all actual and deemed distributions of cash or property made with respect to such Membership Interest and (y) all items of Company deduction and loss computed in accordance with Section 5.3(b) and allocated with respect to such Membership Interest pursuant to Section 6.1.

(b) For purposes of computing the amount of any item of income, gain, loss, or deduction that is to be allocated pursuant to Article VI and is to be reflected in the Members' Capital Accounts, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for federal income tax purposes (including any method of depreciation, cost recovery or amortization used for that purpose), *provided, that*:

(i) Solely for purposes of this Section 5.3, the Managing Member in its discretion may treat the Company as owning directly its share (as determined by the Managing Member based upon the provisions of the applicable Group Member Agreement or governing, organizational or similar documents) of all property owned by (x) any other Group Member that is classified as a partnership for federal income tax purposes and (y) any other partnership, limited liability company, unincorporated business or other entity classified as a partnership for federal income tax purposes of which a Group Member is, directly or indirectly, a partner, member or other equity holder.

(ii) All fees and other expenses incurred by the Company to promote the sale of (or to sell) a Membership Interest that can neither be deducted nor amortized under Section 709 of the Code, if any, shall, for purposes of Capital Account maintenance, be treated as an item of deduction at the time such fees and other expenses are incurred and shall be allocated among the Members pursuant to Section 6.1.

(iii) The computation of all items of income, gain, loss, or deduction, shall be made (x) except as otherwise provided in Treasury Regulations Section 1.704-1(b)(2)(iv)(m), without regard to any election under Section 754 of the Code that may be made by the Company and (y) as to those items described in Section 705(a)(1)(B) or 705(a)(2)(B) of the Code, without regard to the fact that such items are not includable in gross income or are neither currently deductible nor capitalized for U.S. federal income tax purposes.

(iv) To the extent an adjustment to the adjusted basis of any Company asset pursuant to Section 734(b) of the Code (including pursuant to Treasury Regulations Section 1.734-2(b)(1)) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment in the Capital Accounts shall be treated as an item of gain or loss.

(v) In the event the Carrying Value of Company property is adjusted pursuant to Section 5.3(d), any Unrealized Gain resulting from such adjustment shall be treated as an item of gain and any Unrealized Loss resulting from such adjustment shall be treated as an item of loss.

(vi) Any income, gain, or loss attributable to the taxable disposition of any Company property shall be determined as if the adjusted basis of such property as of such date of disposition were equal in amount to the Company's Carrying Value with respect to such property as of such date.

(vii) Any deductions for depreciation, amortization or other cost recovery attributable to any Contributed Property or Adjusted Property shall be determined using any reasonable method selected by the Managing Member in accordance with Section 704(c) and the Treasury Regulations.

(viii) The Gross Liability Value of each Liability of the Company described in Treasury Regulations Section 1.752-7(b)(3)(i) shall be adjusted at such times as provided in this Agreement for an adjustment to Carrying Values. The amount of any such adjustment shall be treated for purposes hereof as an item of loss (if the adjustment increases the Carrying Value of such Liability of the Company) or an item of gain (if the adjustment decreases the Carrying Value of such Liability of the Company).

(c) A transferee of a Membership Interest shall succeed to a Pro Rata portion of the Capital Account of the transferor relating to the Membership Interest so transferred.

(d) (i) In accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) and 1.704-1(b)(2)(iv)(h)(2), on an issuance of any Membership Interests for cash or Contributed Property, on an issuance of a Noncompensatory Option or the issuance of Membership Interests as consideration for the provision of services, the Capital Account of each Member and the Carrying Value of each Company property immediately prior to such issuance shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Company property; *provided, however*, that in the event of the issuance of a Membership Interest pursuant to the exercise of a Noncompensatory Option where the right to share in Company capital represented by such Membership Interest differs from the consideration paid to acquire and exercise such option, the Carrying Value of each Company property immediately after the issuance of such Membership Interest shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Company property and the Capital Accounts of the Members shall be adjusted in a manner consistent with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); *provided further, however*, that in the event of an issuance of Membership Interests for a de minimis amount of cash or Contributed Property, or in the event of an issuance of a de minimis amount of Membership Interests as consideration for the provision of services, the Managing Member may determine that such adjustments are unnecessary for the proper administration of the Company. Any such Unrealized Gain or Unrealized Loss (or items thereof) shall be allocated (x) first to the Managing Member in accordance with Section 6.1(b)(ix) and (y) thereafter to the Members, Pro Rata. In determining such Unrealized Gain or Unrealized Loss, the aggregate fair market value of all Company property (including cash or cash equivalents) immediately prior to the issuance of additional Membership Interests (or, in the case of an issuance of a Noncompensatory Option, immediately after such issuance if required

pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(s)(1)) shall be determined by the Managing Member using such method of valuation as it may adopt. In making its determination of the fair market values of individual properties, the Managing Member may first determine an aggregate value for the assets of the Company that takes into account the current trading price of the Partnership Common Units, the fair market value of the Membership Interests at such time and the amount of Company Liabilities. The Managing Member may allocate such aggregate value among the individual properties of the Company (in such manner as it determines appropriate).

(ii) In accordance with Treasury Regulations Section 1.704-(b)(2)(iv)(f), immediately prior to any actual distribution to a Member of any Company property (other than a distribution of cash that is not in redemption or retirement of a Membership Interest), the Capital Accounts of all Members and the Carrying Value of all Company property shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Company property in the same manner as that provided in Section 5.3(d)(i). In determining such Unrealized Gain or Unrealized Loss the aggregate fair market value of all Company property (including cash or cash equivalents) immediately prior to a distribution shall (A) in the case of a distribution that is not made pursuant to Section 12.4, be determined in the same manner as that provided in Section 5.3(d)(i) or (B) in the case of a liquidating distribution pursuant to Section 12.4, be determined by the Liquidator using such method of valuation as it may adopt.

Section 5.4 *Issuances of Additional Units.*

(a) The Company is expressly authorized to issue additional Units for any Company purpose at any time and from time to time to such Persons for such consideration and on such terms and conditions as the Managing Member shall determine, all without any further act, approval or vote of any Non-Managing Member.

(b) The Managing Member shall take all actions that it determines to be necessary or appropriate in connection with (i) each issuance of Units pursuant to this Section 5.4, (ii) reflecting admission of such additional Non-Managing Member(s) in the books and records of the Company (including Exhibit A hereto) as the Record Holders of such Non-Managing Member Interests and (iii) all additional issuances of Units. The Managing Member shall do all things necessary to comply with the Delaware Act and is authorized and directed to do all things that it determines to be necessary or appropriate in connection with any future issuance of Units pursuant to the terms of this Agreement, including compliance with any statute, rule, regulation or guideline of any federal, state or other governmental agency.

(c) No fractional Units shall be issued by the Company.

Section 5.5 *Issuances of Securities by the Partnership*. If the Partnership issues any additional Partnership Common Units, the Partnership shall contribute the net cash proceeds or other consideration received, if any, from the issuance of such additional Partnership Common Units to the Managing Member, and the Managing Member then shall contribute to the Company such amounts received from the Partnership in exchange for an equivalent number of Units as the number of Partnership Common Units issued by the Partnership. In addition, if the Partnership issues Partnership Common Units pursuant to the Exchange Agreement or pursuant to a distribution (including any split or combination) of Partnership Common Units to all of the holders of Partnership Common Units, the Company shall, if necessary, issue to the Managing Member an equivalent number of Units, such that the number of Units held by the Managing Member is equal to the number of Partnership Common Units outstanding. In the event that the Partnership issues any additional Partnership Common Units and contributes the net cash proceeds or other consideration, if any, received from the issuance thereof to the Managing Member, and the Managing Member then contributes all such amounts to the Company, the Company is authorized to issue a number of Units equal to the number of Partnership Common Units so issued without any further act, approval or vote of any Member or any other Persons.

Section 5.6 *Redemption, Repurchase or Forfeiture of Partnership Common Units*. If, at any time, any Partnership Common Units are redeemed, repurchased or otherwise acquired (whether by exercise of a put or call, automatically or by means of another arrangement) by the Partnership, then, immediately prior to such redemption, repurchase or acquisition of Partnership Common Units, the Company shall redeem a number of Units held by the Managing Member equal to the number of Partnership Common Units so redeemed, repurchased or acquired, such redemption, repurchase or acquisition to be upon the same terms and for the same price per Unit as such Partnership Common Units that are redeemed, repurchased or acquired.

Section 5.7 *Issuance of Partnership Class B Units*. In the event that the Company issues Units to, or cancels Units held by, any Person other than the Managing Member, the Partnership shall issue Partnership Class B Units to such Person or cancel Partnership Class B Units held by such Person, as applicable, such that the number of Partnership Class B Units held by such Person is equal to the number of Units held by such Person.

Section 5.8 *Fully Paid and Non-Assessable Nature of Units*. All Units issued pursuant to, and in accordance with the requirements of, this Article V shall be fully paid and non-assessable Units in the Company, except as such non-assessability may be affected by Sections 18-607 and 18-804 of the Delaware Act.

ARTICLE VI ALLOCATIONS AND DISTRIBUTIONS

Section 6.1 *Allocations for Capital Account Purposes*. For purposes of maintaining the Capital Accounts and in determining the rights of the Members among themselves, the Company's items of income, gain, loss, deduction, and amount realized (computed in accordance with Section 5.3(b)) for each taxable period shall be allocated among the Members.

(a) Net Income and Net Losses. After giving effect to the special allocations set forth in Section 6.1(b), Net Income and Net Losses for each taxable period and all items of income, gain, loss, and deduction for such taxable period shall be allocated to the Members, Pro Rata.

(b) Special Allocations. Notwithstanding any other provision of this Section 6.1, the following special allocations shall be made for such taxable period in the following order:

(i) Company Minimum Gain Chargeback. Notwithstanding any other provision of this Section 6.1, if there is a net decrease in Company Minimum Gain during any Company taxable period, each Member shall be allocated items of Company income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treasury Regulations Sections 1.704-2(f)(6), 1.704-2(g)(2) and 1.704-2(j)(2)(i), or any successor provision. For purposes of this Section 6.1(b), each Member's Adjusted Capital Account balance shall be determined, and the allocation of income and gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Section 6.1(b) with respect to such taxable period (other than an allocation pursuant to Section 6.1(b)(v) and Section 6.1(b)(vi)). This Section 6.1(b)(i) is intended to comply with the Company Minimum Gain chargeback requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(ii) Chargeback of Member Nonrecourse Debt Minimum Gain. Notwithstanding the other provisions of this Section 6.1 (other than Section 6.1(b)(i)), except as provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Company taxable period, any Member with a share of Member Nonrecourse Debt Minimum Gain at the beginning of such taxable period shall be allocated items of Company income and gain for such period (and, if necessary, subsequent periods) in the manner and amounts provided in Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2)(ii), or any successor provisions. For purposes of this Section 6.1(b), each Member's Adjusted Capital Account balance shall be determined, and the allocation of income and gain required hereunder shall be effected, prior to the application of any other allocations pursuant to this Section 6.1(b) with respect to such taxable period (other than an allocation pursuant to Section 6.1(b)(i), Section 6.1(b)(v) and Section 6.1(b)(vi)). This Section 6.1(b)(ii) is intended to comply with the chargeback of items of income and gain requirement in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(iii) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), items of Company gross income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations promulgated under Section 704(b) of the Code, the deficit balance, if any, in its Adjusted Capital Account created by such adjustments, allocations or distributions as quickly as possible; *provided*, that an allocation pursuant to this Section 6.1(b)(iii) shall be made only if and to the extent that such Member would have a deficit balance in its Adjusted Capital Account as adjusted after all other allocations provided for in this Section 6.1 have been tentatively made as if this Section 6.1(b)(iii) were not in this Agreement. This Section 6.1(b)(iii) is intended to constitute a "**qualified income offset**" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(iv) Gross Income Allocation. In the event any Member has a deficit balance in its Capital Account at the end of any taxable period in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company gross income and gain in the amount of such excess as quickly as possible; *provided*, that an allocation pursuant to this Section 6.1(b)(iv) shall be made only if and to the extent that such Member would have a deficit balance in its Capital Account as adjusted after all other allocations provided for in this Section 6.1 have been tentatively made as if Section 6.1(b)(iii) and this Section 6.1(b)(iv) were not in this Agreement.

(v) Nonrecourse Deductions. Nonrecourse Deductions for any taxable period shall be allocated to the Members Pro Rata. If the Managing Member determines that the Company's Nonrecourse Deductions should be allocated in a different ratio to satisfy the safe harbor requirements of the Treasury Regulations promulgated under Section 704(b) of the Code, the Managing Member is authorized, upon notice to the other Members, to revise the prescribed ratio to the numerically closest ratio that does satisfy such requirements.

(vi) Member Nonrecourse Deductions. Member Nonrecourse Deductions for any taxable period shall be allocated 100% to the Member that bears the Economic Risk of Loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i). If more than one Member bears the Economic Risk of Loss with respect to a Member Nonrecourse Debt, the Member Nonrecourse Deductions attributable thereto shall be allocated between or among such Member in accordance with the ratios in which they share such Economic Risk of Loss.

(vii) Nonrecourse Liabilities. For purposes of Treasury Regulations Section 1.752-3(a)(3), the Members agree that Nonrecourse Liabilities of the Managing Member in excess of the sum of (A) the amount of Company Minimum Gain and (B) the total amount of Nonrecourse Built-in Gain shall be allocated among the Members Pro Rata.

(viii) Code Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or 743(b) of the Code (including pursuant to Treasury Regulations Section 1.734-2(b)(1)) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) taken into account pursuant to Section 5.3, and such item of gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(ix) Equalization of Capital Accounts. All items of income or gain recognized by the Company upon Liquidation or the sale, exchange or other disposition of all or substantially all of the assets of the Company Group or any Unrealized Gain or Unrealized Loss (or to the extent necessary, items thereof) deemed recognized as a result of a Revaluation Event shall be allocated among the Members in a manner such that, after giving effect to this Section 6.1(b)(ix), the Capital Account balances of the Members, immediately after making such allocations, are equal to the same ratio as the Members' respective Percentage Interests.

(x) Noncompensatory Option. Any Member who has received its interest pursuant to the exercise of a Noncompensatory Option shall be allocated gain or loss or reallocated capital from other Members' Capital Accounts as necessary to comply with Treasury Regulations Section 1.704-1(b)(2)(iv)(5).

(xi) Curative Allocation.

(A) Notwithstanding any other provision of this Section 6.1, other than the Required Allocations, the Required Allocations shall be taken into account in making the Agreed Allocations so that, to the extent possible, the net amount of items of gross income, gain, loss, and deduction allocated to each Member pursuant to the Required Allocations and the Agreed Allocations, together, shall be equal to the net amount of such items that would have been allocated to each such Member under the Agreed Allocations had the Required Allocations and the related Curative Allocation not otherwise been provided in this Section 6.1. In exercising its discretion under this Section 6.1(b)(xi)(A), the Managing Member may take into account future Required Allocations that, although not yet made, are likely to offset other Required Allocations previously made. Allocations pursuant to this Section 6.1(b)(xi)(A) shall only be made with respect to Required Allocations to the extent the Managing Member determines that such allocations will otherwise be inconsistent with the economic agreement among the Members.

(B) The Managing Member shall, with respect to each taxable period, (1) apply the provisions of Section 6.1(b)(xi)(A) in whatever order is most likely to minimize the economic distortions that might otherwise result from the Required Allocations, and (2) divide all allocations pursuant to Section 6.1(b)(xi)(A) among the Members in a manner that is likely to minimize such economic distortions.

Section 6.2 *Allocations for Tax Purposes.*

(a) Except as otherwise provided herein, for federal income tax purposes, each item of income, gain, loss, deduction and credit shall be allocated among the Members in the same manner as its correlative item of “book” income, gain, loss or deduction is allocated pursuant to Section 6.1.

(b) In an attempt to eliminate Book-Tax Disparities attributable to a Contributed Property or Adjusted Property, items of income, gain, loss, depreciation, amortization and cost recovery deductions shall be allocated for federal income tax purposes among the Members in the manner provided under Section 704(c) of the Code, and the Treasury Regulations promulgated under Section 704(b) and 704(c) of the Code using the “traditional method” set forth in Treasury Regulations Section 1.704-3(b).

(c) In accordance with Treasury Regulations Sections 1.1245-1(e) and 1.1250-1(f), any gain allocated to the Members upon the sale or other taxable disposition of any Company asset shall, to the extent possible, after taking into account other required allocations of gain pursuant to this Section 6.2, be characterized as Recapture Income in the same proportions and to the same extent as such Members (or their predecessors in interest) have been allocated any deductions directly or indirectly giving rise to the treatment of such gains as Recapture Income.

(d) All items of income, gain, loss, deduction and credit recognized by the Company for federal income tax purposes and allocated to the Members in accordance with the provisions hereof shall be determined without regard to any election under Section 754 of the Code that may be made by the Company; *provided, however*, that such allocations, once made, shall be adjusted (in the manner determined by the Managing Member) to take into account those adjustments permitted or required by Sections 734 and 743 of the Code.

(e) Each item of Company income, gain, loss and deduction, for federal income tax purposes, shall be determined for each taxable period and the Managing Member shall prorate and allocate such items to the Members in a manner permitted by Section 706 of the Code and the regulations and rulings promulgated thereunder.

(f) If, as a result of an exercise of a Noncompensatory Option, a Capital Account reallocation is required under Treasury Regulations Section 1.704-1(b)(2)(iv)(s)(3), the Managing Member shall make corrective allocations pursuant to Treasury Regulations Section 1.704-1(b)(4)(x).

Section 6.3 *Distributions to Record Holders.*

(a) The Managing Member may adopt a cash distribution policy, which it may change from time to time without amendment to this Agreement.

(b) The Company will make distributions, if any, to all Record Holders of Units, Pro Rata.

(c) Notwithstanding Section 6.3(b), in the event of the dissolution and liquidation of the Company, all cash received during or after the Quarter in which the Liquidation Date occurs shall be applied and distributed solely in accordance with, and subject to the terms and conditions of, Section 12.4.

(d) Each distribution in respect of a Unit shall be paid by the Company, directly or through any other Person or agent, only to the Record Holder of such Unit as of the Record Date set for such distribution. Such payment shall constitute full payment and satisfaction of the Company's liability in respect of such payment, regardless of any claim of any Person who may have an interest in such payment by reason of an assignment or otherwise.

ARTICLE VII MANAGEMENT AND OPERATION OF BUSINESS

Section 7.1 *Management.*

(a) The business, property and affairs of the Company shall be managed under the sole, absolute and exclusive direction of the Managing Member, which may from time to time delegate authority to its officers or to others to act on behalf of the Company. Without limiting the foregoing provisions of this Section 7.1(a), the Managing Member shall have the sole power to manage or cause the management of the Company, including the power and authority to effectuate the sale, lease, transfer, exchange or other disposition of any, all or substantially all of the assets of the Company (including, but not limited to, the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Company) or the merger, consolidation, reorganization or other combination of the Company with or into another entity. Rattler Holdings is the Managing Member of the Company.

(b) No Non-Managing Member, in his or her or its capacity as such, shall participate in or have any control over the business of the Company. Except as expressly provided herein, neither the Units nor the fact of a Non-Managing Member's admission as a member of the Company confer any rights upon the Non-Managing Members to participate in the management of the affairs of the Company. Except as expressly provided herein, no Non-Managing Member shall have any right to vote on any matter involving the Company, including with respect to any merger, consolidation, combination or conversion of the Company, or any other matter that a Member might otherwise have the ability to vote or consent with respect to under the Delaware Act, at law, in equity or otherwise. The conduct, control and management of the Company shall be vested exclusively in the Managing Member. In all matters relating to or arising out of the conduct of the operation of the Company, the decision of the Managing Member shall be the decision of the Company. Except as required by law or expressly provided in Section 7.1(c) or by separate agreement with the Company, no Non-Managing Member (and acting in such capacity) shall take any part in the management or control of the operation or business of the Company in its capacity as a Member, nor shall any Non-Managing Member (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Company in his or her or its capacity as a Member in any respect or assume any obligation or responsibility of the Company or of any other Member.

(c) To the fullest extent permitted by law, the Managing Member shall have the power and authority to delegate to one or more other Persons the Managing Member's rights and powers to manage and control the business and affairs of the Company, including to delegate to officers, agents and employees of the Company, the Managing Member, its general partner, or its Affiliates (including officers), and to delegate by a management agreement or another agreement with, or otherwise to, other Persons. The Managing Member may authorize any Person (including any Member or officer) to enter into and perform any document on behalf of the Company.

(d) Without limiting the generality of ~~Section 7.1(a)-Section 7.1(c)~~, the Managing Member may appoint such officers as it shall deem necessary or advisable who shall hold their offices for such terms, shall have authority (subject to such conditions as may be prescribed by the Managing Member) to sign deeds, mortgages, bonds, contracts or other instruments on behalf of the Company and shall exercise such other powers and perform such other duties as shall be determined from time to time by the Managing Member. Unless otherwise determined by the Managing Member, each such officer shall hold office until his or her successor is chosen and qualified. Any officer appointed by the Managing Member may be removed at any time, with or without cause, upon notice by the Managing Member. Any vacancy occurring in any office of the Company shall be filled by the Managing Member in its sole discretion. Any number of offices may be held by the same person.

Section 7.2 Replacement of Fiduciary Duties. Notwithstanding any other provision of this Agreement, to the extent that, at law or in equity, the Managing Member or any other Indemnitee would have duties (including fiduciary duties) to the Company, to another Member, to any Person who acquires an interest in the Company or to any other Person bound by this Agreement, all such duties (including fiduciary duties) are hereby eliminated, to the fullest extent permitted by law, and replaced with the duties expressly set forth herein. The elimination of duties (including fiduciary duties) and replacement thereof with the duties expressly set forth herein are approved by the Company, each of the Members, each other Person who acquires an interest in the Company and each other Person bound by this Agreement.

Section 7.3 Indemnification.

(a) To the fullest extent permitted by law, all Indemnitees shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee and acting (or refraining to act) in such capacity; *provided*, that the Indemnitee shall not be indemnified and held harmless if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Agreement, the Indemnitee acted in Bad Faith or engaged in willful misconduct or fraud or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was unlawful. Any indemnification pursuant to this Section 7.3 shall be made only out of the assets of the Company, it being agreed that the Managing Member shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Company to enable it to effectuate such indemnification.

(b) To the fullest extent permitted by law, expenses (including legal fees and expenses) incurred by an Indemnitee who is indemnified pursuant to Section 7.3(a) in appearing at, participating in or defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Section 7.3, the Indemnitee is not entitled to be indemnified upon receipt by the Company of any undertaking by or on behalf of the Indemnitee to repay such amount if it shall be ultimately determined that the Indemnitee is not entitled to be indemnified as authorized by this Section 7.3.

(c) The indemnification provided by this Section 7.3 shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of the holders of Outstanding Non-Managing Member Interests, as a matter of law, in equity or otherwise, both as to actions in the Indemnitee's capacity as an Indemnitee and as to actions in any other capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Company may purchase and maintain (or reimburse the Managing Member or its Affiliates for the cost of) insurance, on behalf of the Managing Member, its Affiliates, the Indemnitees and such other Persons as the Managing Member shall determine, against any liability that may be asserted against, or expense that may be incurred by, such Person in connection with the Company's activities or such Person's activities on behalf of the Company, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) For purposes of this Section 7.3, (i) the Company shall be deemed to have requested an Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by it of its duties to the Company also imposes duties on, or otherwise involves services by, it to the plan or participants or beneficiaries of the plan; (ii) excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute "fines" within the meaning of Section 7.3(a); and (iii) action taken or omitted by an Indemnitee with respect to any employee benefit plan in the performance of its duties for a purpose reasonably believed by it to be in the best interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose that is in the best interests of the Company.

(f) In no event may an Indemnitee subject the Non-Managing Members to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.3 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 7.3 are for the benefit of the Indemnitees and their heirs, successors, assigns, executors and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(i) No amendment, modification or repeal of this Section 7.3 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnitee to be indemnified by the Company, nor the obligations of the Company to indemnify any such Indemnitee under and in accordance with the provisions of this Section 7.3 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 7.4 *Limitation of Liability of Indemnitees.*

(a) Notwithstanding anything to the contrary set forth in this Agreement, any Group Member Agreement, or under the Delaware Act or any other law, rule or regulation or at equity, no Indemnitee shall be liable for monetary damages or otherwise to the Company, to another Member, to any other Person who acquires an interest in a Membership Interest or to any other Person bound by this Agreement, for losses sustained or liabilities incurred, of any kind or character, as a result of its or any of any other Indemnitee's determinations, act(s) or omission(s) in their capacities as Indemnitees; *provided, however*, that an Indemnitee shall be liable for losses or liabilities sustained or incurred by the Company, the other Members, any other Persons who acquire an interest in a Membership Interest or any other Person bound by this Agreement, if it is determined by a final and non-appealable judgment entered by a court of competent jurisdiction that such losses or liabilities were the result of the conduct of that Indemnitee engaged in by it in Bad Faith or engaged in willful misconduct or fraud, or, with respect to any criminal conduct, with the knowledge that its conduct was unlawful.

(b) The Managing Member may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the Managing Member shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the Managing Member if such appointment was not made in Bad Faith.

(c) To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Company, to the Members, to any Person who acquires an interest in a Membership Interest or to any other Person bound by this Agreement, the Managing Member and any other Indemnitee acting in connection with the Company's business or affairs shall not be liable to the Company, to any Member, to any Person who acquires an interest in a Membership Interest or to any other Person bound by this Agreement for its reliance on the provisions of this Agreement.

(d) Any amendment, modification or repeal of this Section 7.4 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of the Indemnitees under this Section 7.4 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 7.5 Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties.

(a) Whenever the Managing Member, acting in its capacity as the managing member of the Company, or any Affiliate of the Managing Member makes a determination or takes or omits to take any action in such capacity, whether or not under this Agreement, any Group Member Agreement or any other agreement contemplated hereby, then, unless another lesser standard is provided for in this Agreement, the Managing Member or such Affiliate shall make such determination, or take or omit to take such action, in Good Faith. The foregoing and other lesser standards provided for in this Agreement are the sole and exclusive standards governing any such determinations, actions and omissions of the Managing Member and any Affiliate of the Managing Member and no such Person shall be subject to any fiduciary duty or other duty or obligation, or any other, different or higher standard (all of which duties, obligations and standards are hereby waived and disclaimed), under this Agreement, any Group Member Agreement or any other agreement contemplated hereby, or under the Delaware Act or any other law, rule or regulation or at equity. Any such determination, action or omission by the Managing Member or of any Affiliate of the Managing Member will for all purposes be presumed to have been in Good Faith. In any proceeding brought by or on behalf of the Company, any Member, or any other Person who acquires an interest in the Company or any other Person who is bound by this Agreement, challenging such determination, act or omission, the Person bringing or prosecuting such proceeding shall have the burden of proving that such determination, action or omission was not in Good Faith. Notwithstanding anything to the contrary in this Agreement or any duty otherwise existing at law or equity, the existence of the conflicts of interest described in the IPO Registration Statement are hereby approved by all Members and shall not constitute a breach of this Agreement or any such duty.

(b) Whenever the Managing Member makes a determination or takes or omits to take any action, or any Affiliate of the Managing Member causes the Managing Member to do so, not acting in its capacity as the managing member of the Company, whether or not under this Agreement, any Group Member Agreement or any other agreement contemplated hereby, then the Managing Member, or such Affiliate causing it to do so, are entitled, to the fullest extent permitted by law, to make such determination or to take or omit to take such action free of any fiduciary duty or duty of Good Faith or other duty or obligation existing at law, in equity or otherwise whatsoever to the Company, to another Member, to any Person who acquires an interest in the Company or to any other Person bound by this Agreement, and the Managing Member or such Affiliate causing it to do so, shall not, to the fullest extent permitted by law, be required to act in Good Faith or pursuant to any fiduciary or other duty or standard imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity.

(c) For purposes of Section 7.5(a) and Section 7.5(b) of this Agreement, “acting in its capacity as the managing member of the Company” means and is solely limited to, the Managing Member exercising its authority as a managing member under this Agreement, other than when it is “acting in its individual capacity.” For purposes of this Agreement, “acting in its individual capacity” means: (i) any action by the Managing Member or its Affiliates other than through the exercise of the Managing Member of its authority as a managing member under this Agreement; and (ii) any action or inaction by the Managing Member by the exercise (or failure to exercise) of its rights, powers or authority under this Agreement that are modified by: (A) the phrase “at the option of the Managing Member,” (B) the phrase “in its sole discretion” or “in its discretion” or (iii) some variation of the phrases set forth in clauses (i) and (ii). For the avoidance of doubt, whenever the Managing Member votes, acquires Membership Interests or transfers its Membership Interests, or refrains from voting or transferring its Membership Interests, it shall be and be deemed to be “acting in its individual capacity.”

(d) Notwithstanding anything to the contrary in this Agreement, the Managing Member and its Affiliates or any other Indemnitee shall have no duty or obligation, express or implied, to (i) sell or otherwise dispose of any asset of the Company Group or (ii) permit any Group Member to use any facilities or assets of the Managing Member and its Affiliates, except as may be provided in contracts entered into from time to time specifically dealing with such use. Any determination by the Managing Member or any of its Affiliates to enter into such contracts or transactions shall be in its sole discretion.

(e) The Members and each Person who acquires an interest in the Company or is otherwise bound by this Agreement hereby authorize the Managing Member, on behalf of the Company as a partner or member of a Group Member, to approve actions by the general partner or managing member of such Group Member similar to those actions permitted to be taken by the Managing Member pursuant to this Section 7.5.

(f) For the avoidance of doubt, whenever the Managing Member or any Affiliate of the Managing Member makes a determination on behalf of the Managing Member, or cause the Managing Member to take or omit to take any action, whether in the Managing Member’s capacity as the Managing Member or in its individual capacity, the standards of care applicable to the Managing Member shall apply to such Persons, and such Persons shall be entitled to all benefits and rights of the Managing Member hereunder, including waivers and modifications of duties, protections and presumptions, as if such Persons were the Managing Member hereunder.

Section 7.6 Other Matters Concerning the Managing Member.

(a) The Managing Member may rely, and shall be protected in acting or refraining from acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Managing Member may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the advice or opinion of such Persons as to matters that the Managing Member reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in Good Faith and in accordance with such advice or opinion.

(c) The Managing Member shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its or the Company's duly authorized officers, a duly appointed attorney or attorneys-in-fact.

Section 7.7 *Reliance by Third Parties*. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Company shall be entitled to assume that the Managing Member and any officer of the Company has full power and authority to encumber, sell or otherwise use in any manner any and all assets of the Company and to enter into any authorized contracts on behalf of the Company, and such Person shall be entitled to deal with the Managing Member or any such officer as if it were the Company's sole party in interest, both legally and beneficially. Each Non-Managing Member, each other Person who acquires an interest in a Membership Interest and each other party who becomes bound by this Agreement hereby waives, to the fullest extent permitted by law, any and all defenses or other remedies that may be available against such Person to contest, negate or disaffirm any action of the Managing Member or any such officer in connection with any such dealing. In no event shall any Person dealing with the Managing Member or any such officer or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the Managing Member or any such officer or its representatives. Each and every certificate, document or other instrument executed on behalf of the Company by the Managing Member or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (a) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (b) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Company and (c) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Company.

ARTICLE VIII BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 8.1 *Records and Accounting*. The Managing Member shall keep or cause to be kept at the principal office of the Company appropriate books and records with respect to the Company's business. Any books and records maintained by or on behalf of the Company in the regular course of its business, including the record of the Record Holder of Units or other Membership Interests, books of account and records of Company proceedings, may be kept on, or be in the form of, computer disks, hard drives, magnetic tape, photographs, micrographics or any other information storage device; *provided*, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Company shall be maintained, for financial reporting purposes, on an accrual basis in accordance with U.S. GAAP.

Section 8.2 *Fiscal Year*. The fiscal year of the Company shall be a fiscal year ending December 31.

Section 8.3 *Reports*. The Managing Member shall cause to be prepared and delivered to the Members such reports, forecasts, studies, budgets and other information as the Members may reasonably request from time to time.

ARTICLE IX TAX MATTERS

Section 9.1 *Tax Returns and Information*. The Company shall timely file all returns of the Company that are required for federal, state and local income tax purposes on the basis of the taxable period or year that it is required by law to adopt, from time to time, as determined by the Managing Member. In the event the Company is required to use a taxable period other than a year ending on December 31, the Managing Member shall use reasonable efforts to change the taxable period of the Company to a year ending on December 31. The tax information reasonably required by Members for federal and state income tax reporting purposes with respect to a taxable period shall be furnished to them within 90 days of the close of the calendar year in which the Company's taxable period ends. In addition, the Company shall furnish to each Non-Managing Member any additional tax information reasonably requested by such Non-Managing Member in order to comply with its organizational documents, including additional detail regarding the source of any items of income, gain, loss, deduction, or credit allocated to such Non-Managing Member to the extent not otherwise reflected in the information provided to the Members under the preceding sentence.

Section 9.2 *Tax Characterization*. Unless otherwise determined by the Managing Member, the Company shall be treated as a partnership and not as an association taxable as a corporation for U.S. federal income tax purposes and as a continuation of Rattler Midstream LP solely for U.S. federal income tax purposes under Section 708 of the Code. The Members and the Company shall not take any action that would cause the Company to be treated as a corporation for U.S. federal income tax purposes (as well as for any analogous state or local tax purposes) and shall file all tax returns consistent with the tax characterization set forth in this Section 9.2.

Section 9.3 *Tax Elections*.

(a) The Company shall make the election under Section 754 of the Code in accordance with applicable regulations thereunder, subject to the reservation of the right to seek to revoke any such election upon the Managing Member's determination that such revocation is in the best interests of the Non-Managing Members.

(b) Except as otherwise provided herein, the Managing Member shall determine whether the Company should make any other elections permitted by the Code.

Section 9.4 *Tax Controversies.*

(a) Subject to the provisions hereof, the Managing Member is designated as the “partnership representative” as defined in Section 6223 of the Code (the “**Partnership Representative**”). The Partnership Representative shall designate from time to time a “designated individual” to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in accordance with the Code and Treasury Regulations.

(b) The Partnership Representative shall give prompt written notice to the other Members of any and all notices it receives from the Internal Revenue Service or any other taxing authority concerning the tax matters of the Company. The Company shall reimburse the Partnership Representative for any expenses that the Partnership Representative incurs in connection with its obligations as Partnership Representative. The Partnership Representative shall not agree to extend the statute of limitations with respect to partnership items of the Company without the consent of all of the Members. No Member shall take any other action with respect to a partnership level audit item which would be binding on the other Member in computing its liability for taxes (or interest, penalties or additions to tax) without the consent of the other Members. The Partnership Representative shall not be liable to the Company or the Members for acts or omissions taken or suffered by it in its capacity as the Partnership Representative, as the case may be, in good faith; *provided* that such act or omission is not in willful violation of this Agreement and does not constitute gross negligence, fraud or a willful violation of law.

(c) The Partnership Representative may cause the Company to, with the consent of the Members, make the election under Section 6221(b) of the Code with respect to determinations of adjustments at the partnership level and take any other action such as filings, disclosures and notifications necessary to effectuate such election for each year for which the election may be made. If the election described in the preceding sentence is not available and to the extent applicable, if the Company receives a notice of final partnership adjustment as described in Section 6226 of the Code the Partnership Representative may, with the consent of the Members, cause the Company to make the election under Section 6226(a) of the Code with respect to the alternative to payment of imputed underpayment by the Company and take other action such as filings, disclosures and notifications necessary to effectuate such election. If the election under Section 6226(a) is not made, then the Company shall make any payment required pursuant to Section 6225 and the Members shall have the obligations set forth in Section 9.5. The Members shall reasonably cooperate with the Company and the Partnership Representative, and undertake any action reasonably requested by the Company, in connection with any elections made by the Partnership Representative or as determined to be reasonably necessary by the Partnership Representative.

Section 9.5 *Withholding.*

(a) If taxes and related interest, penalties or additions to taxes are paid by the Company on behalf of all or less than all the Members or former Members, including, without limitation, any payment by the Company of an imputed underpayment under Section 6225 of the Code, the Managing Member may treat such payment as a distribution of cash to such Members, treat such payment as a general expense of the Company, or

require that persons who were Members of the Company in the taxable year to which the payment relates (including former Members) indemnify the Company upon request for their allocable share of that payment, in each case as determined appropriate under the circumstances by the Managing Member. The amount of any such indemnification obligation of, or deemed distribution of cash to, a Member or former Member in respect of an imputed underpayment under Section 6225 of the Code shall be reduced to the extent that the Company receives a reduction in the amount of the imputed underpayment under Section 6225(c) of the Code which, in the determination of the Managing Member, is attributable to actions taken by, the tax status or attributes of, or tax information provided by or attributable to, such Managing Member or former Member pursuant to or described in Section 6225(c) of the Code.

(b) Notwithstanding any other provision of this Agreement, the Managing Member is authorized to take any action determined, in its discretion, to be necessary or appropriate to cause the Company and other Group Members to comply with any withholding requirements established under the Code or any other federal, state or local law including pursuant to Sections 1441, 1442, 1445 and 1446 of the Code. To the extent that the Company is required or elects to withhold and pay over to any taxing authority any amount resulting from the allocation of distribution of income or from a distribution to any Member (including by reason of Section 1446 of the Code), the amount withheld may at the discretion of the Managing Member be treated by the Company as a distribution of cash pursuant to Section 6.3 or Section 12.3(c) in the amount of such withholding from such Member.

Section 9.6 *Disqualified Person*. No Member will become a Disqualified Person.

ARTICLE X ADMISSION OF MEMBERS

Section 10.1 *Admission of New Members*. Without the consent of any other Person, the Managing Member shall have the right to admit as a Member, any Person who acquires an interest in the Company, or any part thereof, from a Member or from the Company. Concurrently with the admission of such Member, the Managing Member shall forthwith (a) amend Exhibit A hereto to reflect the name and address of such new Member and to eliminate or modify, as applicable, the name and address of the transferring Member with regard to the transferred Units and (b) cause any necessary papers to be filed and recorded and notice to be given wherever and to the extent required showing the substitution of a transferee as a Member in place of the transferring Member, or the admission of a Member, in each case, at the expense, including payment of any professional and filing fees incurred, of such Member.

Section 10.2 *Conditions and Limitations*. The admission of any Person as a Member shall be conditioned upon such Person's written acceptance and adoption of all the terms and provisions of this Agreement by execution and delivery of the Adoption Agreement in the form attached hereto as Exhibit or such other written instrument(s) in form and substance satisfactory to the Managing Member on behalf of the Company.

**ARTICLE XI
WITHDRAWAL OR REMOVAL OF MEMBERS**

Section 11.1 *Member Withdrawal*. No Member shall have the power or right to withdraw or otherwise resign or be expelled from the Company prior to the dissolution and winding up of the Company, except pursuant to a transfer in accordance with Section 4.4.

Section 11.2 *Removal of the Managing Member*. The Managing Member may not be removed as the managing member of the Company unless the General Partner is removed as a general partner of the Partnership in accordance with the Partnership Agreement. The removal of the Managing Member as the managing member of the Company shall also automatically constitute the removal of the Managing Member as general partner or managing member, to the extent applicable, of the other Group Members of which the Managing Member is a general partner or a managing member. If a Person is elected as a successor Managing Member in accordance with the terms of this Section 11.2, such Person shall automatically become a successor general partner or managing member, to the extent applicable, of the other Group Members of which the Managing Member is a general partner or a managing member.

**ARTICLE XII
DISSOLUTION AND LIQUIDATION**

Section 12.1 *Dissolution*. The Company shall not be dissolved by the admission of additional Non-Managing Members or by the admission of a successor Managing Member in accordance with the terms of this Agreement. The Company shall dissolve, and (subject to Section 12.2) its affairs shall be wound up, upon:

- (a) an election to dissolve the Company by the Managing Member;
- (b) the entry of a decree of judicial dissolution of the Company pursuant to the provisions of the Delaware Act; or
- (c) at any time there are no Members, unless the Company is continued without dissolution in accordance with the Delaware Act.

Section 12.2 *Liquidator*. Upon dissolution of the Company in accordance with the provisions of this Article XII, the Managing Member shall select one or more Persons to act as Liquidator. The Liquidator (if other than the Managing Member) shall be entitled to receive such compensation for its services as may be approved by the Managing Member. The Liquidator (if other than the Managing Member) shall agree not to resign at any time without 15 days' prior written notice and may be removed at any time, with or without cause, by the Managing Member. Upon dissolution, removal or resignation of the Liquidator, a successor and substitute Liquidator (who shall have and succeed to all rights, powers and duties of the original Liquidator) shall within 30 days thereafter be selected by the Managing Member. The right to select a successor or substitute Liquidator in the manner provided herein shall be deemed to refer also to any such successor or substitute Liquidator approved in the manner herein provided. Except as expressly provided in this Article XII, the Liquidator selected in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all of the powers conferred upon the Managing Member under the terms of this Agreement (but subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers) necessary or appropriate to carry out the duties and functions of the Liquidator hereunder for and during the period of time required to complete the winding up and liquidation of the Company as provided for herein.

Section 12.3 *Liquidation*. The Liquidator shall proceed to dispose of the assets of the Company, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as determined by the Liquidator, subject to Section 18-804 of the Delaware Act and the following:

(a) The assets may be disposed of by public or private sale or by distribution in kind to one or more Members on such terms as the Liquidator and such Member or Members may agree. If any property is distributed in kind, the Member receiving the property shall be deemed for purposes of Section 12.3(c) to have received cash equal to its Net Agreed Value; and contemporaneously therewith, appropriate cash distributions must be made to the other Members. The Liquidator may defer liquidation or distribution of the Company's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of the Company's assets would be impractical or would cause undue loss to the Members. The Liquidator may distribute the Company's assets, in whole or in part, in kind if it determines that a sale would be impractical or would cause undue loss to the Members.

(b) Liabilities of the Company include amounts owed to the Liquidator as compensation for serving in such capacity (subject to the terms of Section 12.2) and amounts to Members otherwise than in respect of their distribution rights under Article VI. With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the Liquidator shall either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve shall be distributed as additional liquidation proceeds.

(c) All property and all cash in excess of that required to satisfy or discharge liabilities as provided in Section 12.3(b) shall be distributed to the Members in accordance with, and to the extent of, the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments (other than those made by reason of distributions pursuant to this Section 12.3(c)) for the taxable period of the Company during which the liquidation of the Company occurs (with such date of occurrence being determined pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(g)), and such distribution shall be made by the end of such taxable period (or, if later, within 90 days after said date of such occurrence).

Section 12.4 *Cancellation of Certificate of Formation*. Upon the completion of the distribution of Company cash and property as provided in Section 12.3 in connection with the liquidation of the Company, the Certificate of Formation and all qualifications of the Company as a foreign limited liability company in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Company shall be taken.

Section 12.5 *Return of Contributions*. The Managing Member shall not be personally liable for, and shall have no obligation to contribute or loan any monies or property to the Company to enable it to effectuate, the return of the Capital Contributions of the Members or Unitholders, or any portion thereof, it being expressly understood that any such return shall be made solely from assets of the Company.

Section 12.6 *Waiver of Partition*. To the maximum extent permitted by law, each Member hereby waives any right to partition of the Company property.

Section 12.7 *Capital Account Restoration*. No Non-Managing Member shall have any obligation to restore any negative balance in its Capital Account upon liquidation of the Company. The Managing Member shall be obligated to restore any negative balance in its Capital Account upon liquidation of its interest in the Company by the end of the taxable year of the Company during which such liquidation occurs, or, if later, within 90 days after the date of such liquidation.

ARTICLE XIII AMENDMENT OF LIMITED LIABILITY COMPANY AGREEMENT

Section 13.1 *Amendments*. This Agreement may be amended, supplemented, waived or modified by the written consent of the Managing Member in its sole discretion without the approval of any other Member or other Person; *provided* that except as otherwise provided herein, no amendment may modify the limited liability of any Member, or increase the liabilities or obligations of any Member, in each case, without the consent of each such affected Member. Any amendment to this Agreement may be implemented and reflected in a writing executed solely by the Managing Member, and the Non-Managing Member(s) shall be deemed a party to and bound by such amendment.

ARTICLE XIV GENERAL PROVISIONS

Section 14.1 *Addresses and Notices; Written Communications*.

(a) Any notice, demand, request, report or proxy materials required or permitted to be given or made to the Members under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail or by other means of written communication to the Members at the address described below. Any notice, payment or report to be given or made to the Members hereunder shall be deemed conclusively to have been given or made, and the obligation to give such notice or report or to make such payment shall be deemed conclusively to have been fully satisfied, upon sending of such notice, payment or report to the Record Holder of such Membership Interests at his address as shown in the records of the Company, regardless of any claim of any Person who may have an interest in such Membership Interests by reason of any assignment or otherwise. Notwithstanding the foregoing, if (i) the Members shall consent to receiving notices, demands, requests, reports or proxy materials via electronic mail or by the Internet or (ii) the rules of the Commission shall permit any report or proxy materials to be delivered electronically or made available via the Internet, any such notice, demand, request, report or proxy materials shall be

deemed given or made when delivered or made available via such mode of delivery. An affidavit or certificate of making of any notice, payment or report in accordance with the provisions of this Section 14.1(a) executed by the Managing Member or the mailing organization shall be prima facie evidence of the giving or making of such notice, payment or report. If any notice, payment or report given or made in accordance with the provisions of this Section 14.1(a) is returned marked to indicate that such notice, payment or report was unable to be delivered, such notice, payment or report and, in the case of notices, payments or reports returned by the United States Postal Service (or other physical mail delivery mail service outside the United States of America), any subsequent notices, payments and reports shall be deemed to have been duly given or made without further mailing (until such time as such Record Holder or another Person notifies the Company of a change in his address) or other delivery if they are available for the Member at the principal office of the Company for a period of one year from the date of the giving or making of such notice, payment or report to the other Members. Any notice to the Company shall be deemed given if received by the Managing Member at the principal office of the Company designated pursuant to Section 2.3. The Managing Member may rely and shall be protected in relying on any notice or other document from any Member or other Person if believed by it to be genuine.

(b) The terms “in writing,” “written communications,” “written notice” and words of similar import shall be deemed satisfied under this Agreement by use of e-mail and other forms of electronic communication.

Section 14.2 *Further Action*. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 14.3 *Binding Effect*. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 14.4 *Integration*. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 14.5 *Creditors*. None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Company.

Section 14.6 *Waiver*. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 14.7 *Counterparts*. This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

(a) This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

(b) Each of the Members and each Person holding any beneficial interest in the Company (whether through a broker, dealer, bank, trust company or clearing corporation or an agent of any of the foregoing or otherwise):

(i) irrevocably agrees that any claims, suits, actions or proceedings (A) arising out of or relating in any way to this Agreement (including any claims, suits or actions to interpret, apply or enforce the provisions of this Agreement or the duties, obligations or liabilities among Members or of Members to the Company, or the rights or powers of, or restrictions on, the Members or the Company), (B) brought in a derivative manner on behalf of the Company, (C) asserting a claim of breach of a fiduciary or other duty owed by any director, officer, or other employee of the Company, or owed by the Managing Member, to the Company or the Non-Managing Members, (D) asserting a claim arising pursuant to any provision of the Delaware Act or (E) asserting a claim governed by the internal affairs doctrine shall be exclusively brought in the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, any other court located in the State of Delaware with subject matter jurisdiction), in each case regardless of whether such claims, suits, actions or proceedings sound in contract, tort, fraud or otherwise, are based on common law, statutory, equitable, legal or other grounds, or are derivative or direct claims;

(ii) irrevocably submits to the exclusive jurisdiction of the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, any other court located in the State of Delaware with subject matter jurisdiction) in connection with any such claim, suit, action or proceeding;

(iii) agrees not to, and waives any right to, assert in any such claim, suit, action or proceeding that (A) it is not personally subject to the jurisdiction of the Court of Chancery of the State of Delaware or of any other court to which proceedings in the Court of Chancery of the State of Delaware may be appealed, (B) such claim, suit, action or proceeding is brought in an inconvenient forum, or (C) the venue of such claim, suit, action or proceeding is improper;

(iv) expressly waives any requirement for the posting of a bond by a party bringing such claim, suit, action or proceeding;

(v) consents to process being served in any such claim, suit, action or proceeding by mailing, certified mail, return receipt requested, a copy thereof to such party at the address in effect for notices hereunder, and agrees that such services shall constitute good and sufficient service of process and notice thereof; *provided*, nothing in this clause (v) shall affect or limit any right to serve process in any other manner permitted by law;

(vi) IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY SUCH CLAIM, SUIT, ACTION OR PROCEEDING;
and

(vii) agrees that if such Member or Person does not obtain a judgment on the merits that substantially achieves, in substance and amount, the full remedy sought in any such claim, suit, action or proceeding, then such Member or Person shall be obligated to reimburse the Company and its Affiliates for all fees, costs and expenses of every kind and description, including but not limited to all reasonable attorneys' fees and other litigation expenses, that the parties may incur in connection with such claim, suit, action or proceeding.

Section 14.9 *Invalidity of Provisions*. If any provision or part of a provision of this Agreement is or becomes for any reason, invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions and part thereof contained herein shall not be affected thereby and this Agreement shall, to the fullest extent permitted by law, be reformed and construed as if such invalid, illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible.

Section 14.10 *Consent of Members*. Each Member hereby expressly consents and agrees that, whenever in this Agreement it is specified that an action may be taken upon the affirmative vote or consent of less than all of the Members, such action may be so taken upon the concurrence of less than all of the Members and each Member shall be bound by the results of such action.

Section 14.11 *Facsimile and Email Signatures*. The use of facsimile signatures and signatures delivered by email in portable document format (.pdf) or similar format affixed in the name and on behalf of the Company on certificates representing Membership Interests is expressly permitted by this Agreement.

Section 14.12 *Third-Party Beneficiaries*. Each Member agrees that any Indemnitee shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to those provisions of this Agreement affording a right, benefit or privilege to such Indemnitee.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

Rattler Holdings LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Financial Officer
and Assistant Secretary

Diamondback E&P LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Accounting Officer
and Assistant Secretary

Rattler Midstream LP

By: Rattler Midstream GP LLC, its general partner

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Financial Officer
and Assistant Secretary

[Signature Page to Third Amended and Restated Limited Liability Company Agreement of Rattler Midstream Operating LLC]

Exhibit A

Unitholders (As of November 12, 2021)

Name	Address	Number of Units
Rattler Holdings LLC	500 West Texas Ave., Suite 1200 Midland, TX 79701	39,873,271
Diamondback E&P LLC	500 West Texas Ave., Suite 1200 Midland, TX 79701	107,815,152

Exhibit B

Adoption Agreement

This Adoption Agreement is executed by the undersigned pursuant to the Third Amended and Restated Limited Liability Company Agreement of Rattler Midstream Operating LLC (the "**Company**"), dated as of December 22, 2021, as amended, restated or supplemented from time to time, a copy of which is attached hereto and is incorporated herein by reference (the "**Agreement**"). By the execution of this Adoption Agreement, the undersigned agrees as follows:

1. Acknowledgment. The undersigned acknowledges that he/she is acquiring [____] Units of the Company as a Member, subject to the terms and conditions of the Agreement (including the Exhibits thereto), as amended from time to time. Capitalized terms used herein without definition are defined in the Agreement and are used herein with the same meanings set forth therein.
2. Agreement. The undersigned hereby joins in, and agrees to be bound by, subject to, and enjoy the benefit of the applicable rights set forth in, the Agreement (including the Exhibits thereto), as amended from time to time, with the same force and effect as if he/she were originally a party thereto.
3. Notice. Any notice required or permitted by the Agreement shall be given to the undersigned at the address listed below.

EXECUTED AND DATED on this ____ day of _____, 20__.

[NAME]

By: _____

Name:

Title:

Notice Address:

Facsimile: _____

THIRD AMENDMENT TO CREDIT AGREEMENT

This **THIRD AMENDMENT TO CREDIT AGREEMENT** (this "Amendment"), dated as of December 21, 2021, is among: Rattler Midstream LP, a Delaware limited partnership (the "Parent"); Rattler Midstream Operating LLC, a Delaware limited liability company (the "Borrower"); each of the undersigned guarantors (together with the Parent, the "Guarantors"); each of the Lenders (as such term is defined in the Credit Agreement referred to below) party hereto; and Wells Fargo Bank, National Association, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

RECITALS

A. The Parent, the Borrower, the Administrative Agent, and the Lenders are parties to that certain Credit Agreement, dated as of May 28, 2019 (as amended, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement"), pursuant to which the Lenders have made certain credit available to and on behalf of the Borrower.

B. The Borrower has advised the Administrative Agent and the Lenders that the Parent intends to form a new intermediate holding company in the form of a Delaware limited liability company (such new intermediate holding company, "Intermediate Holdings") and contribute the Equity Interests of the Borrower that Parent holds in the Borrower to Intermediate Holdings, such that (i) Parent will directly own and control 100% of the Equity Interests in Intermediate Holdings and (ii) Intermediate Holdings will hold 100% of the sole managing member interest in (and with Control of) the Borrower after contribution from Parent. Prior to giving effect to this Amendment, such formation and contribution would otherwise be prohibited by the Credit Agreement. Accordingly, the Borrower has requested and the Lenders signatory hereto have agreed to amend certain provisions of the Credit Agreement to, among other things, permit the formation of Intermediate Holdings and the contribution of the Equity Interests in the Borrower to Intermediate Holdings.

C. Now, therefore, to induce the Administrative Agent and the Lenders to enter into this Amendment and in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term used herein but not otherwise defined herein has the meaning given such term in the Credit Agreement as amended by this Amendment. Unless otherwise indicated, all section references in this Amendment refer to sections of the Credit Agreement.

Section 2. Amendments to Credit Agreement. In reliance on the representations, warranties, covenants, and agreements contained in this Amendment, and subject to the satisfaction of the conditions precedent set forth in Section 3 hereof, the Credit Agreement is hereby amended, effective as of the Amendment Effective Date (as defined below), as follows:

2.1 Amendments to Section 1.02.

(a) The following definitions are hereby amended and restated in their entirety to read as follows:

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof) of Equity Interests representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of Diamondback, (b) Diamondback shall cease to directly or indirectly own Equity Interests representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the General Partner, (c) the General Partner shall cease to be the sole general partner of the Parent, with substantially the same powers to manage the Parent as are granted to the General Partner under the Parent Partnership Agreement on the Effective Date, (d)(i) at any time after the Parent IPO and prior to the consummation of the Intermediate Holdings Reorganization, the Parent shall cease to be the sole managing member (with Control) of the Borrower and (ii) at any time after consummation of the Intermediate Holdings Reorganization, the Parent shall cease to be the sole managing member of Intermediate Holdings or shall cease to own Equity Interests representing 100% of the voting and economic interests represented by the issued and outstanding Equity Interests in Intermediate Holdings, (e) at any time after consummation of the Intermediate Holdings Reorganization, Intermediate Holdings shall cease to be the sole managing member (with Control) of the Borrower, or (f) the occurrence of a “change of control”, “change in control”, or substantively similar provision under any Senior Notes Indenture or any other Material Indebtedness.

“Guarantors” means the Parent, Intermediate Holdings (upon its formation), Tall City Towers LLC, a Delaware limited liability company, and each other Person that guarantees the Indebtedness pursuant to Section 8.14(b), unless and until expressly released pursuant to the terms of the Loan Documents.

“Interest Period” means with respect to any Eurodollar Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; provided, that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period pertaining to a Eurodollar Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Loan Documents” means this Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Notes, the Letter of Credit Agreements, the Letters of Credit, and the Security Instruments.

“Restricted Subsidiary” means any Subsidiary of the Parent that is not an Unrestricted Subsidiary. For the avoidance of doubt, the Borrower and Intermediate Holdings (upon its formation) shall constitute Restricted Subsidiaries.

“Unrestricted Subsidiary” means any Subsidiary of the Parent (a) designated as such on Schedule 7.14 on the Effective Date (as updated with any written disclosures provided in writing to the Administrative Agent in accordance with and subject to the terms hereof, including, as applicable, Section 9.17), (b) that the Parent or the Borrower has designated in writing to the Administrative Agent to be an Unrestricted Subsidiary pursuant to Section 9.17, or (c) that is a Subsidiary of an Unrestricted Subsidiary; *provided, however*, that neither the Borrower nor Intermediate Holdings may be designated as or be an Unrestricted Subsidiary.

(b) The following definitions are hereby added where alphabetically appropriate to read as follows:

“Erroneous Payment” has the meaning assigned such term in Section 11.12(a).

“Intermediate Holdings” means that certain Delaware limited liability company to be formed after the Third Amendment Effective Date and prior to January 31, 2022, that is designated in writing by Parent to the Administrative Agent as “Intermediate Holdings” on the date that the Intermediate Holdings Reorganization is consummated.

“Intermediate Holdings Reorganization” means, collectively, (a) the formation by the Parent of Intermediate Holdings as its direct and Wholly-Owned Subsidiary and (b) substantially concurrently therewith, the contribution by the Parent to Intermediate Holdings of all or substantially all of its directly-held Property (other than its Equity Interests in Intermediate Holdings), including the sole managing member interest in (and Control of) the Borrower.

“Third Amendment” means that certain Third Amendment to Credit Agreement, dated as of the Third Amendment Effective Date, by and among the Parent, the Borrower, the other Guarantors party thereto, the Administrative Agent, and the Lenders party thereto.

“Third Amendment Effective Date” means December 21, 2021.

2.2 Amendment to Section 7.14. Section 7.14 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

Section 7.14 Subsidiaries. Except as set forth on Schedule 7.14 or as disclosed in writing to the Administrative Agent (which shall promptly furnish a copy to the Lenders), which shall be a supplement to (or, if specified therein, an amendment and restatement of) Schedule 7.14, the Parent has no Subsidiaries. Schedule 7.14 (as supplemented with or amended and restated by any written disclosures provided in writing to the Administrative Agent in accordance with and subject to the terms hereof, including, as applicable, Section 9.17) identifies each Subsidiary as either Restricted or Unrestricted, and whether each Restricted Subsidiary on such schedule is a Wholly-Owned Subsidiary. Substantially contemporaneously with the consummation of the Intermediate Holdings Reorganization, the Parent shall deliver to the Administrative Agent an amended and restated Schedule 7.14 pursuant to this Section 7.14 reflective of, among other things, the formation of Intermediate Holdings.

2.3 Amendments to Article VIII. Article VIII is hereby amended by adding a new Section 8.20 thereto immediately following Section 8.19 thereof to read as follows:

Section 8.20 Intermediate Holdings. Notwithstanding anything to the contrary herein, the Parent shall, and shall cause Intermediate Holdings to, substantially concurrently with consummation of the Intermediate Holdings Reorganization, as applicable, (i) execute and deliver an assumption agreement under the Guaranty and Security Agreement, (ii) pledge all of the Equity Interests of Intermediate Holdings and the Borrower (including delivery of any stock certificates evidencing the Equity Interests of Intermediate Holdings, together with an appropriate undated stock power for each certificate duly executed in blank by the registered owner thereof), as applicable, owned by the Parent and Intermediate Holdings, respectively, (iii) deliver an amended and restated Schedule 7.14 of the Credit Agreement in accordance with Section 7.14, (iv) deliver a certificate designating such entity as "Intermediate Holdings" and certifying that the only assets held by Intermediate Holdings are Equity Interests of the Borrower, and (v) execute and deliver such other additional closing documents and certificates as shall reasonably be requested by the Administrative Agent.

2.4 Amendments to Section 9.04(a).

(a) Section 9.04(a)(iv) is hereby amended and restated in its entirety to read as follows:

(iv) the Parent, Intermediate Holdings, and the Borrower may declare and pay dividends and distributions to their equity holders, if and to the extent that (A) such dividend or distribution is paid within sixty-five (65) days after the date of declaration thereof, (B) as of the date of such declaration, no Default or Event of Default existed, and (C) as of the date of such declaration, if such dividend or distribution had been paid as of such date of declaration, no Default or Event of Default would have existed;

(b) Section 9.04(a)(x)(2) is hereby amended and restated in its entirety to read as follows:

(2) the Borrower and Intermediate Holdings may make Restricted Payments to Intermediate Holdings and the Parent, as applicable.

2.5 Amendments to Section 9.10. Section 9.10 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

Section 9.10 Mergers, Etc. The Parent and the Borrower will not, and will not permit any of the Restricted Subsidiaries to, merge into or with or consolidate with any other Person, or sell, lease or otherwise dispose of (whether in one transaction or in a series of transactions and including by statutory division of such Person) all or substantially all of its Property to any other Person, except that (a) (i) the Borrower or any Restricted Subsidiary (other than, for the avoidance of doubt, Intermediate Holdings) may merge or consolidate with, or sell, lease or otherwise dispose of all or substantially all of its Property to, the Borrower or any Restricted Subsidiary controlled by the Borrower, and any Restricted Subsidiary (other than, for the avoidance of doubt, Intermediate Holdings) may divide, and (ii) Intermediate Holdings may merge or consolidate with, or sell, lease or otherwise dispose of all or substantially all of its Property to, the Parent or the Borrower, (b) the Borrower or any Guarantor (other than, for the avoidance of doubt, the Parent or Intermediate Holdings) may merge with another Person in order to consummate a Permitted Acquisition or other Investment permitted by Section 9.05, but in each case under clauses (a) and (b), (i) in the case of a merger or division involving a Guarantor, a Guarantor must be the surviving entity or the Person created as a result of such division must become a Guarantor in accordance with Section 8.14, as applicable, and (ii) notwithstanding clause (i), in the case of a merger involving the Borrower, the Borrower must be the surviving entity, and (c) the Parent may dispose all or substantially all of its directly-held Property to Intermediate Holdings (other than its Equity Interests in Intermediate Holdings) solely in connection with consummation of the Intermediate Holdings Reorganization.

2.6 Amendments to Section 9.14. Section 9.14 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

Section 9.14 Subsidiaries. The Parent and the Borrower will not, and will not permit any of the Restricted Subsidiaries to, create or acquire any additional Subsidiary unless the Borrower gives written notice to the Administrative Agent of such creation or acquisition and complies with Section 8.14(b) (it being agreed that the Third Amendment constitutes such written notice with respect to Intermediate Holdings). The Parent will not, and will not permit any Restricted Subsidiary to, (a) (i) Transfer any Equity Interests in the Borrower (other than solely to the extent required in consummation of the Intermediate Holdings Reorganization) or (ii) Transfer any Equity Interests in Intermediate Holdings or (b) Transfer any Equity Interests in any Restricted Subsidiary (other than the Borrower or Intermediate Holdings) except (i) to the Borrower or a Restricted Subsidiary that is a Guarantor or (ii) in compliance with Section 9.11. The Parent and the Borrower will not permit any Equity Interests of any Restricted Subsidiary (other than Intermediate Holdings) to be directly owned by any Person other than the Borrower or a Restricted Subsidiary that is a Guarantor. The Parent will not permit any Equity Interests of Intermediate Holdings to be directly owned by any Person other than the Parent.

2.7 Amendments to Section 9.19. Section 9.19 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

Section 9.19 Permitted Activities of the Parent. The Parent covenants and agrees with the Administrative Agent and the Lenders that the Parent and Intermediate Holdings shall not (and the Parent shall cause Intermediate Holdings not to) (a) engage in any material operating or business activities other than (i) ownership of the Equity Interests in and Investments in Intermediate Holdings (as applicable), the Borrower, and other Subsidiaries (subject to clause (d) below), (ii) activities incidental to maintenance of its and its Subsidiaries' existence and the management of their businesses (including the maintenance of the Parent's existence as a master limited partnership), (iii) issuances and sales of Equity Interests (subject to clause (b) below), (iv) the incurrence and payment of taxes and professional fees, (v) activities incidental to the maintenance of the General Partner, (vi) transactions permitted under Sections 9.04, 9.10, 9.11, or 9.13, and (vii) as permitted in clause (c) below, (b) sell, transfer, assign, or otherwise dispose of its Equity Interests in Intermediate Holdings or the Borrower, as applicable (other than as required to consummate the Intermediate Holdings Reorganization), (c) incur any Liens or Debt for borrowed money (other than those relating to the Loans hereunder or the Senior Notes), or (d) own or control any direct Subsidiaries (other than (x) substantially concurrently with, and after the consummation of, the Intermediate Holdings Reorganization, with respect to the Parent, Intermediate Holdings, (y) (A) prior to the consummation of the Intermediate Holdings Reorganization, with respect to the Parent, the Borrower, or (B) on and after the consummation of the Intermediate Holdings Reorganization, with respect to Intermediate Holdings, the Borrower, and (z) any direct Subsidiary that is formed as a shell corporation solely for the purpose of facilitating the issuance of Senior Notes pursuant to Section 9.02(g)).

2.8 Amendment to Article XII. Article XI is hereby amended by adding a new Section 11.12 thereto immediately following Section 11.11 thereof to read as follows:

Section 11.12 Erroneous Payments.

(a) Each Lender and the Issuing Bank hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or Issuing Bank that the Administrative Agent has determined in its sole discretion that any funds received by such Lender or Issuing Bank from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Lender or Issuing Bank (whether or not known to such Lender or Issuing Bank) or (ii) it receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a

notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, (y) that was not preceded or accompanied by a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment or (z) that such Lender or Issuing Bank otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) then, in each case an error in payment has been made (any such amounts specified in clauses (i) or (ii) of this Section 11.12(a), whether received as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, an “Erroneous Payment”) and the Lender or the Issuing Bank, as the case may be, is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment and to the extent permitted by applicable law, such Lender or Issuing Bank shall not assert any right or claim to the Erroneous Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Lender and the Issuing Bank agrees that, in the case of clause (a)(ii) above, it shall promptly (and, in all events, within one Business Day of its knowledge (or deemed knowledge) of such error) notify the Administrative Agent in writing of such occurrence and, in the case of either clause (a)(i) or (a)(ii) above upon demand from the Administrative Agent, it shall promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Lender or Issuing Bank to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Borrower and each other Loan Party hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Lender or the Issuing Bank that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender or the Issuing Bank with respect to such amount, (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Indebtedness owed by the Borrower or any other Loan Party and (z) to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Indebtedness, the Indebtedness or any part thereof that were so credited, and all rights of the applicable Lender, Issuing Bank, Administrative Agent, or other Secured Party, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

(d) Each party's obligations under this Section 11.12 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Indebtedness (or any portion thereof) under any Loan Document.

Section 3. Conditions Precedent. This Amendment shall become effective on the date (such date, the "Amendment Effective Date") when each of the following conditions is satisfied (or waived in accordance with Section 12.02 of the Credit Agreement):

3.1 The Administrative Agent shall have received from Lenders constituting Majority Lenders, the Guarantors, and the Borrower, counterparts (in such number as may be requested by the Administrative Agent) of this Amendment signed on behalf of such Person.

3.2 The Administrative Agent and the Lenders shall have received all fees and other amounts due and payable on or prior to the date hereof, including, to the extent invoiced, reimbursement or payment of all documented out-of-pocket expenses required to be reimbursed or paid by the Borrower under the Credit Agreement.

3.3 No Default shall have occurred and be continuing as of the date hereof, after giving effect to the terms of this Amendment.

The Administrative Agent is hereby authorized and directed to declare this Amendment to be effective when it has received documents confirming or certifying, to the satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 3 or the waiver of such conditions as permitted in Section 12.02 of the Credit Agreement. Such declaration shall be final, conclusive and binding upon all parties to the Credit Agreement for all purposes.

Section 4. Miscellaneous.

4.1 Confirmation. The provisions of the Credit Agreement (as amended by this Amendment) shall remain in full force and effect following the effectiveness of this Amendment.

4.2 Ratification and Affirmation; Representations and Warranties. Each of the Guarantors and the Borrower hereby (a) ratifies and affirms its obligations under, and acknowledges its continued liability under, each Loan Document to which it is a party and agrees that each Loan Document to which it is a party remains in full force and effect as expressly amended hereby and (b) represents and warrants to the Lenders that as of the date hereof, after giving effect to the terms of this Amendment:

(i) all of the representations and warranties contained in each Loan Document to which it is a party are true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect or a similar qualification, true and correct in all respects), except to the extent any such representations and warranties are expressly limited to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect or a similar qualification, true and correct in all respects) as of such specified earlier date;

(ii) no Default or Event of Default has occurred and is continuing; and

(iii) no event or events have occurred that individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

4.3 Counterparts. This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of this Amendment by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

4.4 **NO ORAL AGREEMENT**. THIS AMENDMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS EXECUTED IN CONNECTION HERewith AND THEREWITH REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT UNWRITTEN ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

4.5 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4.6 Payment of Expenses. To the extent required pursuant to Section 12.03 of the Credit Agreement, the Borrower agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket expenses incurred in connection with this Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, including, without limitation, the reasonable fees, charges and disbursements of counsel to the Administrative Agent.

4.7 Severability. Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

4.8 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

4.9 Loan Document. This Amendment is a Loan Document.

[SIGNATURES BEGIN NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

BORROWER:

RATTLER MIDSTREAM OPERATING LLC

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

GUARANTORS:

RATTLER MIDSTREAM LP

By: Rattler Midstream GP LLC, its General Partner

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

TALL CITY TOWERS LLC

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

RATTLER OMOG LLC

By: Rattler Midstream Operating LLC, its sole member

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

RATTLER AJAX PROCESSING LLC

By: Rattler Midstream Operating LLC, its sole member

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

RATTLER WTG LLC

By: Rattler Midstream Operating LLC, its sole member

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

ADMINISTRATIVE AGENT,
ISSUING BANK AND LENDER:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Administrative Agent, Issuing Bank and as a Lender

By: /s/ Andrew Ostrov

Name: Andrew Ostrov

Title: Director

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

BANK OF AMERICA, N.A.

By: /s/ Ronald E. McKraig

Name: Ronald E. McKraig

Title: Managing Director

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH

By: /s/ Nupur Kumar

Name: Nupur Kumar

Title: Authorized Signatory

By: /s/ Jessica Gavarkovs

Name: Jessica Gavarkovs

Title: Authorized Signatory

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

JPMORGAN CHASE BANK, N.A.

By: /s/ Umar Hassan

Name: Umar Hassan

Title: Authorized Officer

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

CITIBANK, N.A.

By: /s/ Jeff Ard

Name: Jeff Ard

Title: Vice President

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

PNC BANK, NATIONAL ASSOCIATION

By: /s/ John Engel

Name: John Engel

Title: Senior Vice President

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

BARCLAYS BANK PLC

By: /s/ May Huang

Name: May Huang

Title: Assistant Vice President

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

CAPITAL ONE, NATIONAL ASSOCIATION

By: /s/ Christopher Kuna

Name: Christopher Kuna

Title: Senior Director

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

TRUIST BANK, successor by merger to SunTrust Bank, as a Lender

By: /s/ Samantha Sanford

Name: Samantha Sanford

Title: Vice President

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

THE BANK OF NOVA SCOTIA, HOUSTON BRANCH

By: /s/ Scott Nickel

Name: Scott Nickel

Title: Director

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Bruce Hernandez

Name: Bruce Hernandez

Title: Senior Vice President

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

GOLDMAN SACHS BANK USA

By: /s/ Dan Martis

Name: Dan Martis

Title: Authorized Signatory

SIGNATURE PAGE
THIRD AMENDMENT TO CREDIT AGREEMENT

**AMENDED AND RESTATED
SERVICES AND SECONDMENT AGREEMENT
AMONG
DIAMONDBACK ENERGY, INC.
DIAMONDBACK E&P LLC
RATTLER MIDSTREAM GP LLC
RATTLER MIDSTREAM LP
RATTLER HOLDINGS LLC
AND
RATTLER MIDSTREAM OPERATING LLC**

AMENDED AND RESTATED

SERVICES AND SECONDMENT AGREEMENT

This Amended and Restated Services and Secondment Agreement (this “**Agreement**”), dated as of December 22, 2021, is entered into among Diamondback Energy, Inc., a Delaware corporation (“**Diamondback**”), Diamondback E&P LLC, a Delaware limited liability company (“**E&P**”), Rattler Midstream GP LLC, a Delaware limited liability company (the “**General Partner**”), Rattler Midstream LP, a Delaware limited partnership (the “**Partnership**”), Rattler Holdings LLC, a Delaware limited liability company (“**HoldCo**”), and Rattler Midstream Operating LLC, a Delaware limited liability company (“**OpCo**”). Diamondback, E&P, the General Partner, the Partnership, HoldCo and OpCo are sometimes herein referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS:

WHEREAS, the General Partner is the general partner of the Partnership that through HoldCo, OpCo and its Subsidiaries (as defined below) is engaged in the business of crude oil gathering, metering and transportation; natural gas gathering, compression, metering and transportation; fresh water sourcing, storage and distribution; produced water collection, cleaning, recycling and disposal; and other related assets and businesses;

WHEREAS, Diamondback has (a) expertise in the management, construction, design, maintenance and operation of midstream infrastructure assets, including crude oil gathering and long-haul pipelines, natural gas gathering pipelines, centralized gathering facilities, fresh water distribution and storage systems, and produced water pipelines and cleaning, recycling and disposal facilities, (b) unique knowledge of the management, maintenance and operation of the Fasken Center in Midland, Texas (the “**Fasken Center**”) and (c) centralized general and administrative services that OpCo and its affiliates have historically relied upon in connection with the ownership and operation of its assets;

WHEREAS, Diamondback can make available, or cause to be made available, to the Partnership Parties (as defined below) the personnel necessary to perform (a) such management, construction, design, maintenance and operational functions with respect to assets owned by the Midstream Group (as defined below) and (b) general and administrative services relating to operating the business of the Midstream Group;

WHEREAS, the Parties desire that Diamondback provide, or cause to be provided, to the Partnership Parties personnel necessary to manage, construct, design, maintain and operate the Midstream Group’s assets, including the Fasken Center, and, in connection therewith, that Diamondback second, or cause to be seconded, certain personnel to the Partnership Parties;

WHEREAS, Diamondback, E&P, the General Partner, the Partnership and OpCo entered into a Services and Secondment Agreement (the “**Services and Secondment Agreement**”) effective May 28, 2019 (the “**Effective Date**”); and

WHEREAS, the Parties desire to amend and restate the Services and Secondment Agreement to add HoldCo, a wholly owned subsidiary of the Partnership and the managing member of OpCo, as a party to the Services and Secondment Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to amend and restate the Services and Secondment Agreement as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions. Capitalized terms used and not otherwise defined in this Agreement shall have the following respective meanings, unless context clearly requires otherwise:

“**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries Controls, is Controlled by or is under common Control with, the Person in question. For purposes of this Agreement, none of the Midstream Group shall be deemed to be an Affiliate of any Diamondback Entity nor shall any Diamondback Entity be deemed to be an Affiliate of any of the Midstream Group.

“**Agreement**” shall mean this Amended and Restated Services and Secondment Agreement, together with all Exhibits attached hereto, as the same may be amended, supplemented or restated from time to time in accordance with the provisions hereof.

“**Allocation Percentage**” has the meaning set forth in Section 3.3.

“**Benefit Plans**” means any employee benefit plans and any insurance programs that Diamondback or any of the Diamondback Entities now maintains or in the future may maintain for the benefit of the Seconded Employees or their dependents, including: deferred compensation, profit sharing, retirement, retiree medical, 401(k), cafeteria, medical, and disability plans, workers’ compensation insurance, life insurance, accidental death and dismemberment insurance, long-term disability insurance, business travel and accident insurance, and any EAP.

“**Business Day**” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of Texas shall not be regarded as a Business Day.

“**Control**” or “**control**” (including the terms “controlled” and “controlling”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“**Diamondback**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Diamondback Entities**” means Diamondback, E&P and all of their direct and indirect Subsidiaries, other than any of the Partnership Parties.

“**E&P**” has the meaning set forth in the introductory paragraph to this Agreement.

“**EAP**” means Employee Assistance Program.

“**Effective Date**” has the meaning set forth in recitals to this Agreement.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**ERISA Affiliate**” means any entity that would be treated as a single employer with Diamondback under Sections 414(b), (c) or (m) of the Code or Section 4001(b)(1) of ERISA.

“**Fasken Center**” has the meaning set forth in the recitals to this Agreement.

“**General Partner**” has the meaning set forth in the introductory paragraph to this Agreement; provided that such term shall include its successors and permitted assigns that are admitted to the Partnership as general partner of the Partnership, in its capacity as general partner of the Partnership (except as the context otherwise requires).

“**HoldCo**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Losses**” means any and all costs, expenses (including reasonable attorneys’ fees), claims, demands, losses, liabilities, obligations, actions, lawsuits and other proceedings, judgments and awards.

“**Midstream Group**” means, collectively, the Partnership, HoldCo, OpCo and its Subsidiaries.

“**OpCo**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Partnership**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Partnership Agreement**” means the First Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of the Effective Date, as the same may be amended, supplemented or restated from time to time.

“**Partnership Parties**” means the General Partner and the Midstream Group.

“**Party**” has the meaning set forth in the introductory paragraph to this Agreement.

“**Period of Secondment**” has the meaning set forth in [Section 2.4](#).

“**Person**” means an individual or a corporation, firm, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

“**Seconded Contractor Expenses**” has the meaning set forth in [Section 3.2\(b\)](#).

“**Seconded Contractors**” has the meaning set forth in [Section 2.5](#).

“**Seconded Employee Expenses**” has the meaning set forth in Section 3.2(a).

“**Seconded Employees**” has the meaning set forth in Section 2.4.

“**Seconded Person Expenses**” has the meaning set forth in Section 3.2(b).

“**Seconded Persons**” has the meaning set forth in Section 2.5.

“**Secondment**” means each assignment of any Seconded Persons to the Partnership Parties from Diamondback or any Diamondback Entities in accordance with the terms of this Agreement.

“**Service Coordinator**” has the meaning set forth in Section 2.7.

“**Services**” has the meaning set forth in Section 2.1.

“**Services Reimbursement**” has the meaning set forth in Section 3.1.

“**Subsidiary**” means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general partner of such partnership, but only if such Person, directly or by one or more Subsidiaries of such Person, or a combination thereof, controls such partnership, directly or indirectly, at the date of determination or (c) any other Person in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person. For purposes of this Agreement, none of the Midstream Group shall be deemed to be a Subsidiary of Diamondback nor shall Diamondback or E&P be deemed a Subsidiary of any of the Midstream Group.

ARTICLE 2 SECONDMENT

2.1 Diamondback shall provide, or cause to be provided, to the Partnership Parties the Seconded Persons to (a) perform the activities related to the Partnership Parties’ respective obligations under each of the agreements listed in Exhibit A, (b) otherwise perform the day-to-day management of the assets of the Midstream Group and the business conducted, or to be conducted, by the Partnership Parties described in Exhibit A, (c) to design, build, construct and otherwise install the infrastructure required by (or necessary or convenient to provide the services required under) the agreements listed in Exhibit A and (d) perform the management, general and administrative services described in Exhibit A, to be received by the General Partner, for the benefit of the Partnership Parties, at the places of business of the General Partner ((a) through (d) collectively referred to herein as the “**Services**”).

2.2 Subject to Diamondback's right to be reimbursed for such expenses in accordance with this Agreement, Diamondback shall pay (or shall cause E&P to pay) all expenses incurred by it in connection with the retention of the Seconded Persons, including, but not limited to, Seconded Employee compensation, salaries, wages, benefit costs, overhead and administrative expenses, charged to or incurred by Diamondback or E&P, and, if applicable, social security taxes, workers compensation insurance, retirement and insurance benefits and other such expenses. Any Seconded Employees retained by the Diamondback Entities may be union or non-union employees, and the Diamondback Entities shall have the sole right to negotiate the terms and provisions of any labor or other agreements with the unions to which such employees belong.

2.3 Diamondback shall provide, or cause to be provided, such suitably qualified and experienced Seconded Persons as Diamondback is able to make available to the Partnership Parties, and the Partnership Parties shall have the right to approve such Seconded Persons.

2.4 During the term of this Agreement, Diamondback or E&P shall second employees of the Diamondback Entities that provide the Services to the Partnership Parties. Each employee who Diamondback or E&P seconds to the Partnership Parties shall, during the time that such employee is seconded to the Partnership Parties under this Agreement (the "**Period of Secondment**"), be referred to individually herein as a "**Seconded Employee**" and, collectively, as the "**Seconded Employees**."

2.5 During the term of this Agreement, Diamondback shall second, or cause to be seconded, contractors of the Diamondback Entities that provide the Services to the Partnership Parties. Each such contractor shall, during the Period of Secondment, be referred to individually herein as a "**Seconded Contractor**" and, collectively, as the "**Seconded Contractors**," and together with the Seconded Employees, the "**Seconded Persons**."

2.6 The Seconded Employees will remain at all times employees of the applicable Diamondback Entities. For the avoidance of doubt, the Parties acknowledge that Seconded Persons may, during the Period of Secondment, be called upon to perform services for both the Partnership Parties and the Diamondback Entities. The Diamondback Entities retain the right to terminate the Secondment of any Seconded Persons for any reason at any time or to discharge the Seconded Employees with respect to their employment with the Diamondback Entities. During the Term, the Partnership Parties shall have the right to request that Diamondback remove any individual from the roster of Seconded Employees providing Services to the Partnership Entities. Diamondback agrees that it will remove any such individual from the status of a Seconded Employee upon written request by any Partnership Party. Diamondback shall have the sole right, with or without the consent of the Partnership Parties, to terminate the employment of any Seconded Employee. However, the Parties agree that the Partnership Parties shall have the sole right to determine the level of Services required from the Seconded Persons and its satisfaction with the performance of such Services by the Seconded Employees in connection with the Services and that Diamondback will use commercially reasonable efforts to provide Seconded Employees in a manner consistent with the needs expressed by any Partnership Party, but at no time will any Partnership Party have the right to terminate any Seconded Person, including any Seconded Employee's employment by a Diamondback Entity or a Seconded Contractor's independent contractor relationship with a Diamondback Entity. Upon the termination of the Secondment of any Seconded Persons, such Seconded Persons will cease performing Services for the Partnership Parties.

(a) The Parties agree that Diamondback and each of its Affiliates and agents shall perform the Services hereunder in the capacity of an independent contractor. The Seconded Employees shall continue to be the common law employees of the Diamondback Entities and shall have no employment or contractual relationship with the Partnership Parties during the Term. The Partnership Parties shall not hold out the Seconded Employees as agents of Diamondback in the course of the performance by the Seconded Employees of their duties in respect of the Services.

(b) The Partnership Parties shall be responsible for specifying to Diamondback the day-to-day manner of operations and assignments for Seconded Employees and reviewing the work performed by the Seconded Employees to determine whether the Services rendered in connection with the Agreement are consistent with the results to be achieved, as specified by the Partnership Parties. Nothing in this Agreement shall preclude the Partnership Parties from hiring or employing any employees during the Term of this Agreement; provided, however, that the Diamondback Entities shall have no obligation to provide and shall not provide any employee benefits, payroll or HR Services to or with respect to any employees of the Partnership Parties.

2.7 Each Party shall nominate a representative to act as its primary contact with respect to the provision of the Services contemplated by this Agreement (each, a “**Service Coordinator**”). The Service Coordinators as of the date of this Agreement shall continue to serve in such capacity until a replacement has been nominated. Unless otherwise agreed, all notices and communications relating to this Agreement, other than those day-to-day communications and billings relating to the actual provision of the Services, shall be directed to the Service Coordinators. In the course and scope of performing any job functions for the Partnership Parties, each Seconded Employee will report to the Diamondback management structure and the Diamondback management structure, through the Diamondback Service Coordinator will report into the Partnership Parties’ management structure through the Partnership Parties Service Coordinator. However, Seconded Employees will be under the direct management, supervision and control of the Diamondback Entities with respect to such Seconded Employee’s performance of the Services, with Seconded Contractors remaining at the direction of the respective contractor. No Seconded Contractors shall have the authority or apparent authority to act on behalf of any Diamondback Entity in connection with the performance of the Services during any Period of Secondment.

2.8 Those Seconded Employees who serve as supervisors or managers and who are called upon to oversee the work of other Seconded Employees providing or to otherwise provide management support on behalf of the Parties are designated by the Diamondback Entities as supervisors to act on the behalf of the Diamondback Entities in supervising the Seconded Employees pursuant to Section 2.7 above. Any such Seconded Employee will be acting on the behalf of the Diamondback Entities when supervising the work of the Seconded Employees or when they are otherwise providing management or executive support in connection with the Services performed on behalf of the Partnership Parties.

2.9 Diamondback shall, or shall cause a Diamondback Entity to, obtain workers’ compensation coverage as defined and required by law on behalf of both the Diamondback Entities and the Partnership Parties.

2.10 The Partnership Parties may terminate any of the Services performed by Seconded Persons on thirty (30) days' prior written notice to Diamondback. In the event the Partnership Parties, or any of them, terminates such Services, the Partnership Parties shall pay Diamondback the Services Reimbursement (as defined below) for the last month (or portion thereof) in which it received such terminated Services. Upon payment thereof, the Partnership Parties shall have no further Services payment obligations to Diamondback pursuant to this Agreement with respect to such terminated Services.

2.11 No Partnership Party shall be deemed to be a participating employer in any Benefit Plans during the Period of Secondment. Subject to the Partnership Parties' reimbursement obligations hereunder, Diamondback (or another Diamondback Entity) shall remain solely responsible for all obligations and liabilities arising under the express terms of the Benefit Plans, and the Seconded Employees will be covered under the Benefit Plans subject to and in accordance with their respective terms and conditions, as they may be amended from time to time. Diamondback and its ERISA Affiliates may amend or terminate any Benefit Plans in whole or in part at any time (subject to the applicable provisions of any collective bargaining agreement covering Seconded Employees, if any). During the Period of Secondment, no member of the Partnership Parties shall assume any Benefit Plans or have any obligations, liabilities or rights arising under the express terms of the Benefit Plans, in each case except for cost reimbursement pursuant to this Agreement.

ARTICLE 3 EXPENSE REIMBURSEMENT

3.1 The Partnership Parties shall reimburse Diamondback or E&P, as applicable, for all reimbursable expenses under Section 3.2 incurred by the Diamondback Entities with respect to Seconded Persons, as applicable (including, where applicable, former Seconded Employees), in connection with the performance of the Services during the preceding period (the "**Services Reimbursement**"). The Services Reimbursement shall be made on a monthly basis or at such other intervals as the Parties may agree from time to time.

3.2 (a) The Services Reimbursement with respect to Seconded Employees for each period during the Period of Secondment shall include all reasonable costs and expenses (including administrative and benefits costs) incurred for such period by Diamondback Entities for the Seconded Employees (including, where applicable, former Seconded Employees), including but not limited to the following costs and expenses set forth below:

- (i) salary, wages and cash bonuses (including payroll and withholding taxes associated therewith);
- (ii) amounts paid with respect any Seconded Employee's paid leave of absence;
- (iii) contributions made by or expenses incurred by a Diamondback Entity towards any Benefit Plans (including incurred but unreported and incurred but unpaid claims incurred during the Period of Secondment and subsequent liabilities attributable to the performance of the Services incurred for such period by Diamondback Entities with respect to the Period of Secondment);
- (iv) the value of equity-related compensation granted to Seconded Employees during the Period of Secondment;

- (v) any other employee benefit or compensation arrangement customarily provided to all employees by Diamondback for which Diamondback incurs costs with respect to Seconded Employees; and
- (vi) business travel expenses and other business expenses reimbursed in the normal course by Diamondback, such as subscriptions to business- related periodicals and dues to professional business organizations.

The costs and expenses described in this Section 3.2(a) are referred to as “**Seconded Employee Expenses.**” Where it is not reasonably practicable to determine the amount of such a cost or expense, the Partnership Parties and Diamondback shall mutually agree on the method of determining or estimating such cost or expense. If the actual amount of any cost or expense, once known, varies from the estimate used for billing purposes hereunder, the difference, once determined, shall be reflected as either a credit or additional charge in the next monthly invoice issued by a Diamondback Entity, or in such manner as may be otherwise agreed between Diamondback and the General Partner. Notwithstanding the foregoing, the Parties agree that to determine the value of a Second Employee’s non-wage benefits described in subsections (iii) and (v) of this Section 3.2(a), they will apply an agreed percentage benefit load, based on the value of employee benefits provided to all employees of the Diamondback Entities.

(b) The Services Reimbursement with respect to Seconded Contractors for each period during the Period of Secondment shall include, on a pass-through basis, all costs and expenses attributable to the performance of the Services incurred for such period by Diamondback Entities with respect to the Seconded Contractors. The costs and expenses described in this Section 3.2(b) are referred to as “**Seconded Contractor Expenses,**” and together with the Seconded Employee Expenses, the “**Seconded Person Expenses.**”

3.3 With respect to those Seconded Persons who perform services for both the Diamondback Entities and the Partnership Parties, the Parties will determine in good faith the percentage of such Seconded Person’s time spent providing services to the Partnership Parties (the “**Allocation Percentage**”). For each month, or other time interval agreed to by the Parties, during the Period of Secondment, the amount of the Services Reimbursement payable by the Partnership Parties with respect to each Seconded Person shall be calculated by multiplying the Seconded Person Expenses for such Seconded Person times the Allocation Percentage for such Seconded Person; provided, however, that travel expenses and other expenses incurred with respect to and/or reimbursable to a Seconded Person shall be paid by the Party for whom the Seconded Person was working at the time they were incurred, except that expenses related to activities that benefit both the Partnership Parties and Diamondback Entities (e.g. some types of training) shall be shared by the affected Parties in accordance with the Allocation Percentage (or such other allocation as may be agreed between the affected Parties).

3.4 The Partnership Parties and Diamondback acknowledge and agree that Diamondback shall be responsible for paying the Seconded Employee Expenses (or providing the employee benefits with respect thereto, as applicable) to the Seconded Employees and that the Diamondback Entities may be responsible for paying the Seconded Contractor Expenses to the respective contractor, but that the Partnership Parties shall be responsible for reimbursing the Diamondback Entities for the Seconded Person Expenses (as part of the Services Reimbursement) to the extent provided under Section 3.2 of this Agreement.

3.5 This Agreement does not address the reimbursement of any costs or expenses associated with Services other than the Services Reimbursement. To the extent that a Diamondback Entity incurs any out-of-pocket expenses (other than the Services Reimbursement) in connection with the provision of Services, such Diamondback Entity may be entitled to reimbursement therefor under the terms of the Partnership Agreement or other documentation.

ARTICLE 4 ALLOCATION; RECORDS

Diamondback will use commercially reasonable efforts to (i) establish the Allocation Percentage and to document the basis for such allocation and (ii) maintain a schedule reflecting the direct and indirect costs of the Seconded Person Expenses based on the Services that the Seconded Persons have provided to the Partnership Parties. The Partnership Parties will use commercially reasonable efforts to keep and maintain books/records reflecting the hours worked in connection with each of the Seconded Persons. Each Party will have the right to audit such records maintained by the other during regular business hours and on reasonable prior notice.

ARTICLE 5 TERM

The term of this Agreement will commence on the Effective Date and will continue for an initial period of fifteen (15) years (the “**Initial Term**”). Upon the expiration of the Initial Term, the term of this Agreement shall automatically extend for successive one year extension terms, unless either Party provides at least thirty (30) days’ prior written notice to the other Party prior to the expiration of the Initial Term or any extension term that the Party wishes for this Agreement to expire at the end of the Initial Term or the then-current extension term, as applicable. Upon proper notice by a Party to the other Party, in accordance with this Article 5, that the Party wishes for this Agreement to expire on the expiration of the applicable period, this Agreement shall not automatically extend, but shall instead expire upon the expiration of the applicable period and only those provisions that, by their terms, expressly survive this Agreement shall so survive. Notwithstanding the foregoing, the Partnership Parties may terminate this Agreement at any time upon written notice to Diamondback stating the date of termination and only those provisions that, by their terms, expressly survive this Agreement shall so survive.

ARTICLE 6 GENERAL PROVISIONS

6.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and this Agreement supersedes all prior negotiations, agreements or understandings of the Parties of any nature, whether oral or written, relating thereto.

6.2 Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas, without regard to the principles of conflicts of law.

6.3 Amendment. This Agreement may be modified, amended or supplemented only by written agreement executed by the Parties.

6.4 Waiver. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the Party or Parties entitled to the benefit thereof. Any such waiver shall be validly and sufficiently given for the purposes of this Agreement if, as to any Party, it is in writing signed by an authorized representative of such Party. The failure of any Party to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, or in any way to affect the validity of this Agreement or any part hereof or the right of any Party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

6.5 Severability. Whenever possible each provision and term of this Agreement will be interpreted in a manner to be effective and valid. If any term or provision of this Agreement or the application of any such term or provision to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions hereof, or the application of such term or provision to Persons or circumstances other than those as to which it has been held invalid, illegal or unenforceable, will remain in full force and effect and will in no way be affected, impaired or invalidated thereby. If any term or provision of this Agreement is held to be prohibited or invalid, then such term or provision will be ineffective only to the extent of such prohibition or invalidity without invalidating or affecting in any manner whatsoever the remainder of such term or provision or the other terms and provisions of this Agreement. Upon determination that any other term or provision of this Agreement is invalid, void, illegal or unenforceable, a court of competent jurisdiction will modify such term or provision so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible under the Law.

6.6 Successors and Assigns. Except as contemplated by Section 6.10, neither this Agreement nor any of the rights or obligations hereunder shall be assigned by any of the Parties hereto without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

6.7 Third Party Beneficiaries. This Agreement is binding upon and is for the benefit of the Parties hereto and their respective successors and permitted assigns. This Agreement is not made for the benefit of any Person not a party hereto, and no Person other than the Parties hereto and their respective successors and permitted assigns will acquire or have any benefit, right, remedy or claim under or by virtue of this Agreement. In furtherance but not in limitation of the foregoing: (i) nothing in this Agreement shall be deemed to provide any Seconded Employee or Seconded Contractor with a right to continued Secondment or employment; and (ii) nothing in this Agreement shall be deemed to constitute an amendment to any Benefit Plans or limit in any way the right of Diamondback and/or its ERISA Affiliates to amend, modify or terminate, in whole or in part, any Benefit Plans which may be in effect from time to time.

6.8 Notices. Any notice, statement, demand, claim, offer or other written instrument required or permitted to be given pursuant to this Agreement shall be in writing signed by the Party giving such notice and shall be sent by email, hand messenger delivery, overnight courier service, or certified mail (receipt requested) to each other Party at the address set forth below; provided that to be effective any such notice sent originally by email must be followed within two (2) Business Days by a copy of such notice sent by overnight courier service:

if to a Diamondback Entity:

Diamondback Energy, Inc.
500 West Texas, Suite 1200
Midland, Texas 79701
Email: mzmigrosky@diamondbackenergy.com
Attention: P. Matt Zmigrosky, Executive Vice President, Secretary and General Counsel

if to a member of the Partnership Parties:

Rattler Midstream GP LLC
500 West Texas, Suite 1200
Midland, Texas 79701
Email: mzmigrosky@diamondbackenergy.com
Attention: P. Matt Zmigrosky, Executive Vice President, Secretary and General Counsel

Each Party shall have the right to change the place to which notices shall be sent or delivered or to specify one additional address to which copies of notices may be sent, in either case by similar notice sent or delivered in like manner to the other Party. Without limiting any other means by which a Party may be able to prove that a notice has been received by another Party, all notices and communications shall be deemed to have been duly given: (i) at the time delivered by hand, if personally delivered; (ii) five (5) Business Days after being deposited in the mail, postage prepaid, if mailed by first class certified mail, receipt requested; (iii) when received, if sent by email, if received prior to 5 p.m., recipient's time, on a Business Day, or on the next Business Day, if received later than 5 p.m., recipient's time; and (iv) on the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery. In any case hereunder in which a Party is required or permitted to respond to a notice from another Party within a specified period, such period shall run from the date on which the notice was deemed duly given as above provided, and the response shall be considered to be timely given if given as above provided by the last day of the period provided for such response.

6.9 Relationship of the Parties. Nothing in this Agreement will constitute the Midstream Group, Diamondback or their respective Affiliates as members of any partnership, joint venture, association, syndicate or other entity.

6.10 Assignment. No Party will convey, assign or otherwise transfer either this Agreement or any of the rights, interests or obligations hereunder without the prior written consent of the other Parties hereto (in each of such Party's sole and absolute discretion). Any such prohibited conveyance, assignment or transfer without the prior written consent of the other Parties will be void ab initio; provided, however, that any Party may assign or convey this Agreement without the prior written consent of any other Party to an Affiliate.

6.11 Counterparts. This Agreement may be executed in counterparts (which may be delivered by electronic transmission). Each counterpart when so executed and delivered shall be deemed an original, and both such counterparts taken together shall constitute one and the same instrument.

6.12 Time of the Essence. Time is of the essence of this Agreement; provided, however, notwithstanding anything to the contrary in this Agreement, if the time period for the performance of any covenant or obligation, satisfaction of any condition or delivery of any notice or item required under this Agreement shall expire on a day other than a Business Day, such time period shall be extended automatically to the next Business Day.

6.13 Signatories Duly Authorized. Each of the signatories to this Agreement represents that he is duly authorized to execute this Agreement on behalf of the entities for which he is signing, and that such signature is sufficient to bind the Party or other entity purportedly represented.

(Signature page follows)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their authorized representatives as of the date first above written.

DIAMONDBACK ENERGY, INC.

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Accounting
Officer and Assistant Secretary

DIAMONDBACK E&P LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Accounting
Officer and Assistant Secretary

RATTLER MIDSTREAM GP LLC

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Financial
Officer and Assistant Secretary

[Signature Page to Amended and Restated Services and Secondment Agreement]

RATTLER MIDSTREAM LP

By: Rattler Midstream GP LLC,
its general partner

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

RATTLER HOLDINGS LLC

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

RATTLER MIDSTREAM OPERATING LLC

By: /s/ Teresa L. Dick

Name: Teresa L. Dick

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

[Signature Page to Amended and Restated Services and Secondment Agreement]

EXHIBIT A

Services

The Services include, but are not limited to:

- Operation of the midstream assets of the Midstream Group members in accordance with prudent industry practice pursuant to each of the following agreements:
 - Freshwater Purchase and Services Agreement, dated effective as of January 1, 2018 by and between E&P and OpCo, as may be amended, supplemented, restated or otherwise modified from time to time, pursuant to which OpCo, among other things, gathers, stores and distributes fresh water to Diamondback's drilling and completion sites.
 - Gas Gathering and Compression Agreement, dated effective as of January 1, 2018 by and between E&P and OpCo, as may be amended, supplemented, restated or otherwise modified from time to time, pursuant to which OpCo, among other things, services the production of natural gas from Diamondback's Utah field within the Permian;
 - Amended and Restated Crude Oil Gathering Agreement, dated effective as of January 1, 2018 by and between E&P and OpCo, as may be amended, supplemented, restated or otherwise modified from time to time, pursuant to which OpCo, among other things, gathers crude oil from Diamondback's Spanish Trail, Utah and Reward fields within the Permian; and
 - Amended and Restated Produced and Flowback Water Gathering and Disposal Agreement, dated effective as of January 1, 2018 by and between E&P and OpCo, as may be amended, supplemented, restated or otherwise modified from time to time, pursuant to which OpCo, among other things, gathers and disposes of saltwater from operations throughout Diamondback's Permian acreage.
- Operation, management and maintenance of the Fasken Center in accordance with prudent industry practice.
- Such other operational functions that are necessary to develop and execute the operational aspects of the business of the Partnership Parties.

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- Payroll and billing services, including payment of compensation for the services of and, as applicable, the provision of employee benefits to Secoded Persons.
 - Management, general and administrative services, such as:
 - billing, accounting, tax and internal audit;
 - treasury, cash management and banking;
 - investor relations;
 - business development;
 - executive services;
 - human resources, including Benefit Plan reporting;
 - public company reporting; and
 - in-house legal services, risk management and regulatory compliance.
 - Such other management, general and administrative functions that are necessary to support the business of the Partnership Parties.