

**AMENDED AND RESTATED
RECAPITALIZATION AGREEMENT**
(Family Broadcasting Group, Inc.)

THIS AMENDED AND RESTATED RECAPITALIZATION AGREEMENT is entered into effective the 22nd day of December, 2008, by and among FAMILY BROADCASTING GROUP, INC., an Oklahoma corporation (the "Company"), Brady M. Brus, an individual ("B. Brus"), Angela Brus, an individual, ("A. Brus"), The Janet S. Bowie Trust ("Bowie Trust"), Seekfirst Media Partners, L.L.C., an Oklahoma limited liability company ("Seekfirst" and together with B. Brus, A. Brus and Bowie Trust, the "Common Shareholders"), Aubrey K. McClendon, an individual ("McClendon"), Ward Family Enterprises, L.P., an Oklahoma limited partnership ("Ward"), McClendon Venture Company, L.L.C., an Oklahoma limited liability company ("MVC"), and TLW Venture Company, L.L.C., an Oklahoma limited liability company ("TLW" and together with McClendon, Ward and MVC, the "Investors"). The Common Shareholders and the Investors will be referred to herein together as the "Shareholders."

WHEREAS, McClendon and Ward (together, the "Lenders") loaned the Company Ten Million Dollars (\$10,000,000.00) in the aggregate under separate Promissory Notes dated December 18, 2006 (the "2006 Notes") secured by all of the assets of the Company;

WHEREAS, the Lenders loaned the Company Three Million One Hundred Thirty Thousand Dollars (\$3,130,000.00), in the aggregate, under separate Bridge Promissory notes dated August 26, 2008, and of even date herewith (the "Bridge Notes" and together with the 2006 Notes, the "Notes") pursuant to that certain Bridge Loan Agreement dated effective August 26, 2008, as amended by the First Amendment to Bridge Loan Agreement of even date herewith (together, the "Bridge Loan Agreement");

WHEREAS, in connection with the Company's newly created Series B Convertible Preferred Stock (the "Series B Preferred Stock") pursuant to this Agreement, the 2006 Preferred Stock will be renamed as Series A Preferred Stock, par value \$1.00 (the "Series A Preferred Stock" and together with the Series B Preferred Stock, the "Preferred Stock");

WHEREAS, the 2006 Notes are now due and the Lenders have agreed, in lieu of payment, to convert the 2006 Notes into shares of Series A Preferred Stock;

WHEREAS, the Lenders desire to convert the Bridge Notes into shares of Series B Preferred Stock and purchase additional shares of Series B Preferred Stock with the unfunded amount of the Bridge Notes; and

WHEREAS, the change of control effected by the transactions contemplated in this Agreement must be approved by the Federal Communications Commission.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Shareholders agree as follows:

1. Sequence; Closing. This Agreement sets forth the documents and procedures necessary to effectuate the recapitalization of the Company. Except as expressly provided in this Agreement, each of the transactions described in this Agreement will occur in the order of each of the paragraphs. The consummation of this Agreement will occur at the offices of Commercial Law Group, P.C. on the date that the Lenders fund the Series B Purchase Price (the "Closing Date") which date will be no later than ten (10) business days after the last of the following occurs: (a) the execution and delivery of this Agreement by all of the parties hereto and all of the other documents described in this Agreement by the parties to such documents; (b) receipt by the Company and the Investors of notification that the FCC has approved the transactions contemplated by this Agreement; and (c) all of the conditions in paragraph 8 of this Agreement have been waived by the Investors in writing or satisfied.
2. Creation of New Series B Preferred Stock. On or before the Closing Date, the Company will file (a) the Second Amendment to Certificate of Incorporation in the form approved by the Shareholders and the Company whereby the Company will increase the number of authorized shares of Common Stock and Preferred Stock; and (b) an Amended and Restated Certificate of Designation in the form acceptable approved by the Shareholders and the Company that sets forth the rights and preferences of the Preferred Stock.
3. Renaming 2006 Preferred Stock. On the Closing Date, the Investors will exchange their 2006 Preferred Stock certificates for Series A Preferred Stock certificates that are identical in terms of issue date, number of shares and certificate number, with the only difference being the new name.
4. Conversion of the 2006 Notes. On the Closing Date, the 2006 Notes and all interest accrued thereon through October 31, 2008, will be automatically converted into the number of validly issued, fully paid and non-assessable shares of Series A Preferred Stock set forth at Schedule "4" attached as a part hereof.
5. Conversion of Bridge Notes; Purchase of Series B Preferred Stock. On the Closing Date: (a) the Bridge Notes, will be automatically converted into the number of validly issued, fully paid and non-assessable shares of Series B Preferred Stock equal to (i) the principal amount advanced under Bridge Notes as of the Closing Date (the "Bridge Note Advances"), divided by (ii) \$9.2228 (the "Share Price"); and (b) the Lenders will purchase the additional number of validly issued, fully paid and non-assessable shares of Series B Preferred Stock equal to the Share Price multiplied by the Series B Purchase Price (as hereinafter defined). The "Series B Purchase Price" is equal to the face amount of the Bridge Notes minus the Bridge Note Advances. The shares of Series B Preferred Stock to be issued to each Lender pursuant to this paragraph 5 is set forth at Schedule "5" attached as a part hereof. Interest accrued on the Bridge Notes as of the Closing Date will be paid by the Company to the Lenders on the Closing Date unless waived by the Lenders in writing.
6. Procedures. On the Closing Date, the Lenders will deliver the Notes to the Company and pay the Series B Purchase Price to the Company. Upon delivery of the Notes and payment of the Series B Purchase Price, the Company will: (a) issue to the Lenders the number of validly issued, fully paid and non-assessable shares of Series A Preferred Stock or Series B Preferred Stock, respectively, to which such Lender is entitled under the terms of this Agreement; and (b)

pay to the Lenders all unpaid interest accrued under the Bridge Notes as of the Closing Date, unless payment of such interest is waived in writing by the Lenders. Notwithstanding anything herein to the contrary, the Company will issue an additional whole share of Series A Preferred Stock or Series B Preferred Stock in lieu of issuing any fractional shares.

7. Closing Agreement. On the Closing Date, the Company, Brady Brus and Angie Brus will execute and deliver to the Investors a closing agreement (the "Closing Agreement") setting forth the amount of the Bridge Note Advances and Series B Purchase Price and renewing the representations and warranties in the Bridge Loan Agreement as of the Closing Date.

8. Investors' Conditions. The obligation of each Lender to purchase the Series B Preferred Stock on the Closing Date is subject to the fulfillment to such Lendor's satisfaction of each of the following conditions:

- 8.1 Representations and Warranties Correct. The representations and warranties made by the Company in the Closing Agreement and the Bridge Loan Agreement will be true and correct when made and will be true and correct as of the Closing Date as if made at such closing.
- 8.2 Performance. All covenants, agreements and conditions contained in this Agreement, the Second Amended and Restated Shareholders Agreement of even date herewith among the Company and the Shareholders (the "Shareholders Agreement") and the First Amended and Restated Registration Rights Agreement of even date herewith among the Company and the Investors (the "Registration Rights Agreement" and together with the Shareholders Agreement, the "Related Agreements") to be performed by the Company at or prior to the Closing Date will have been fully and timely performed. The foregoing includes, without limitation: (a) the execution and delivery of this Agreement; (b) the execution and filing of the Certificate of Incorporation and Certificate of Designation; and (c) any other instruments, agreements or documents reasonably requested by the Investors.
- 8.3 Compliance Certificate. The Company will have delivered to the Investors a certificate of the Company, executed by its President dated the Closing Date truthfully certifying to the fulfillment of the conditions specified in this paragraph 8, that there has not been a material adverse change in the Company, any subsidiary or the assets and businesses of the foregoing and such other matters as the Investors may reasonably request.
- 8.4 Shareholder Certificate. The Principal will have delivered to the Investors a certificate dated the date of each closing certifying to the fulfillment of the conditions specified in this paragraph 8 and that each of the representations and warranties made by the Company in paragraph 9 of this Agreement were true and correct when made and will be true and correct as of the Closing Date.
- 8.5 Omnibus Certificate. The Company will have delivered to the Investors copies of each of the following in form and substance satisfactory to the Investors and

certified by the Secretary of the Company to be in full force and effect on the date of each closing: (a) the certificate of incorporation of the Company and each subsidiary certified by the Oklahoma Secretary of State as of a date not more than five (5) days prior to the Closing Date; (b) good standing certificates with respect to the Company and each subsidiary certified by the Secretary of State of Oklahoma as of a date not more than five (5) days prior to the Closing Date; (c) good standing certificates with respect to the Company and each subsidiary certified by any other states in which the conduct of its business requires it to be in good standing, in each case as of a date not more than five (5) days prior to the Closing Date; (d) the bylaws of the Company and each subsidiary in form and substance satisfactory to the Investors; and (e) resolutions of the Company's Board of Directors, and, as necessary, the shareholders of the Company and each subsidiary authorizing the (i) adoption, execution and filing of the Certificate of Incorporation, (ii) adoption, execution and filing of the Certificate of Designation, (iii) the execution, delivery and performance of this Agreement and the Related Agreements, and (iv) the transactions contemplated thereby including the issuance and sale of the Preferred Stock to the Investors.

- 8.6 Related Agreements. The Related Agreements will have been executed and delivered by all parties.
- 8.7 Regulation D. The Company will have: (a) fully complied with Regulation D and the securities rules covered thereunder; and (b) have a Form D and any other applicable form prepared for filing and will file following the Closing Date with the Securities Exchange Commission and any all applicable state securities regulatory agencies.
- 8.8 Legal Investment. As of the Closing Date, the issuance of Preferred Stock to the Investors hereunder will be legally permitted by all laws and regulations to which the Investors and the Company are subject.
- 8.9 Qualifications. As of each closing, all authorizations, approval, consents, permits and waivers which are necessary or appropriate as determined in the sole discretion of counsel to the Investors will have been obtained.
- 8.10 Due Diligence. Each Investor and its respective advisers, including legal counsel, will have completed a due diligence review of the Company, each subsidiary and their business with results satisfactory to such Investor in its sole discretion. There will not have occurred a material adverse change in the Company, any subsidiary or in the business, assets or prospects of the foregoing.
- 8.11 Expenses. On the Closing Date, the Company will have paid all of its own expenses and paid or reimbursed each of the Investors for their respective reasonable expenses and out-of-pocket costs incurred in connection with the negotiation of this Agreement and the Related Agreements, documentation of the transactions contemplated hereunder and thereunder and closing costs.

8.12 Proceedings and Documents. As of the Closing Date, all corporate and other proceedings in connection with the transactions contemplated hereby and by the Related Agreements, and all documents and instruments incident to such transactions, will be in form and substance satisfactory to the Investors.

9. Company's Representations and Warranties. As an inducement to the Investors to enter into and perform this Agreement the Company hereby represents and warrants to each Investor that, except as modified by the following or as disclosed to the Investors in writing on or prior to the date hereof, each and every representation and warranty in the Investment Agreement is true and correct as of the date of this Agreement and the Closing Date.

9.1 Capitalization. Immediately prior to the Closing Date, the Company's authorized capital stock will consist of 53,750 shares of common stock, par value \$1.00 per share (the "Common Stock"), 53,750 shares of which will be issued and outstanding and 64,397 shares of Series A Preferred Stock, 24,149 of which will be issued and outstanding. After consummation of the transactions contemplated by this Agreement, the only shares of capital stock issued and outstanding, reserved for issuance or committed to be issued will be: (a) 53,750 shares of fully paid and non-assessable Common Stock duly issued, outstanding and owned by the Shareholders; (b) 74,665 shares of fully paid and non-assessable Series A Preferred Stock issued, outstanding and owned by the Investors; (c) 339,378 shares of Series B Preferred Stock issued, outstanding and owned by the Lenders; (d) 596,250 shares of Common Stock reserved for issuance as the Conversion Shares; and (e) shares of Common Stock reserved for issuance pursuant to the terms of the Company's equity incentive plans approved by the Investors. On the Closing Date, there will be no declared but unpaid dividends or undeclared dividend arrearage on any shares of Common Stock. In addition, on the Closing Date there will not exist any stock appreciation rights, phantom stock plans, preemptive rights, conversion rights, options, warrants or agreements granted, issued by or binding on the Company for the purchase or acquisition of any shares of its capital stock other than those issued, reserved or committed to be issued pursuant to this Agreement or the Related Agreements. All outstanding securities of the Company were issued in compliance with all federal and state securities laws.

9.2 Financial Statements. The Company has furnished the Investors true and correct copies of the consolidated balance sheets, statements of operations and statements of changes in the financial position of the Company and its Subsidiaries for the two (2) fiscal years ending December 31, 2006 and December 31, 2007, and the nine (9) month period ended September 31, 2008 (the "Financial Statements"). Each of the Financial Statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in form and substance satisfactory to the Investors and fairly and accurately present the Company's financial position and the results of operations for the periods indicated. All the books, records and accounts of the Company and each Subsidiary are in all material respects accurate and complete, maintained in accordance with good business practice, comply with all laws, regulations and rules applicable to the Company and each Subsidiary and

accurately present and reflect all of the transactions entered into during the applicable period.

10. Affirmative Covenants. The Company hereby covenants and agrees with each of the Investors to perform or cause to be performed each of the following obligations set forth in this paragraph 10 during the period (the "Covenant Period") commencing on the Closing Date and continuing for the longer of: (a) as long as any of the Preferred Stock is outstanding or an Investor, any affiliate of an Investor or any person acquiring more than ten percent (10%) of the common stock issued upon conversion of the Preferred Stock (the "Conversion Shares") from one or more Investors continues to hold any Conversion Shares; or (b) the closing of an underwritten initial public offering of common stock by the Company to the general public pursuant to a registration statement that is declared effective under the Securities Act resulting in net proceeds to the Company of at least Twenty Million Dollars (\$20,000,000.00) and a price to the public of not less than Seven and 50/100 Dollars (\$7.50) per share.

10.1 Financial Statements and Information. The Company will deliver to each holder of the Preferred Stock or ten percent (10%) of the Conversion Shares the following:

10.1.1 Audited Annual Financial Statements. Within ninety (90) days after the end of each fiscal year, consolidated balance sheets, statements of operations and consolidated statements of cash flows for the Company and its subsidiaries for such fiscal year prepared in accordance with generally acceptable accounting principles consistently applied certified without qualification or explanation by a nationally recognized independent public accounting firm acceptable to the Investors together with a comparison of such financial statements to the Budget (as defined in paragraph 10.1.4 of this Agreement) and the prior year amounts for the Company and the subsidiaries all in reasonable detail with explanations for all variances signed by the chief financial officer of the Company.

10.1.2 Unaudited Monthly Financial Statements. Within twenty-one (21) days after the end of each month and each calendar quarter consolidated balance sheets, statements of operations and changes in financial position for the Company and the subsidiaries for such period and for the current fiscal year to date, prepared in accordance with generally accepted accounting principles consistently applied and setting forth in comparative form the figures for the corresponding periods of the previous fiscal year, all in reasonable detail and certified by the chief financial officer of the Company.

10.1.3 Compliance Certificate. Contemporaneous with the delivery of each annual, quarterly and monthly financial statement pursuant to this paragraph, a certificate executed by the Chief Executive Officer and the Chief Financial Officer of the Company stating that: (a) the Company is in compliance in all respects with this Agreement, the Related Agreements, the certificate of incorporation of the Company or the subsidiaries, the

Certificate of Designation and the bylaws of the Company or any subsidiary; (b) except as fully disclosed in such certificate, there has not occurred a Default (as defined in paragraph 13 of this Agreement) by the Company under this Agreement, the Related Agreements, the certificate of incorporation for the Company or the subsidiaries, the Certificate of Designation or the bylaws of the Company or any subsidiary; (c) the Company and the subsidiaries are in compliance with all material agreements including any instruments evidencing any indebtedness of the Company or any subsidiary; and (d) except as specifically disclosed in such certificate, there has not occurred a material adverse change in the Company, any subsidiary or their businesses.

- 10.1.4 Budget. Not less than thirty (30) days prior to the commencement of each fiscal year an annual business plan that shows an operating cash surplus or that is revenue neutral (the "Budget"). The Budget will include a written narrative together with financial projections, balance sheets, statements of operations and changes in financial position for the Company and the subsidiaries, all prepared on a detailed monthly basis reasonably acceptable to the Investors. All Budgets will be submitted and approved by the Board prior to the beginning of the fiscal year.
- 10.1.5 Auditors Reports. Promptly upon receipt thereof, copies of all other reports, if any, submitted to the Company by independent public accountants in connection with any annual or interim audit or review of the books of the Company and its subsidiaries including, without implied limitation, any management letters, internal control evaluations and alerts.
- 10.1.6 Third Party Information. Within ten (10) days after issuance a copy of each financial statement, report, notice or communication that the Company or any subsidiary delivers to or receives from: (a) any present or anticipated security holders, a board of directors, any committee of a board of directors, lender, creditor, supplier, union or other third party; (b) the financial community at large; (c) the press; (d) any securities exchange, the National Association of Securities Dealers, any credit rating agency or any other industry association; or (e) any governmental official, authority or agency.
- 10.1.7 Litigation. Promptly upon the Company's learning thereof, notice of any litigation, suit or administrative proceeding that could reasonably be expected to have a material adverse affect on the Company or any subsidiary or their business, affairs, assets, prospects, operations, employee relations or condition (financial or otherwise) whether or not the claim is covered by insurance.
- 10.1.8 Material Adverse Developments. Promptly upon the occurrence thereof (but in no event later than five (5) days after discovery thereof) notice of: (a) any default or breach of, or Default under this Agreement, the Related

Agreements, the Certificate of Designation, any other material agreement or arrangement to which the Company or any of its subsidiaries is a party or by which any of them is bound; and (b) any event which has or could reasonably be expected to have, a material adverse impact on the business, affairs, assets, prospects, operations, employee relations or condition, (financial or otherwise) of the Company or any subsidiary including, but not limited to, the institution or threat of any material litigation or investigation with respect to the Company or any subsidiary or any material disputes with customers.

10.1.9 Other Information. With reasonable promptness, such other data and information as from time to time may be reasonably requested by any Investor.

10.2 Profitability. Following the Closing Date and continuously thereafter, the Company's earnings before interest, taxes, depreciation and amortization, calculated in accordance with generally accepted accounting principles, will be greater than zero. From and after the Closing Date, the Company's operating income will continuously be greater than sixty percent (60%) of the projected operating income set forth in the annual Budgets.

10.3 Accounting. The Company will maintain and will cause each subsidiary to maintain a system of accounting, book records and system of internal control to be established and administered in accordance with generally accepted accounting principles consistently applied. The Company will cause complete entries to be made in such books and records and establish appropriate procedures and policies so that the books and records will accurately reflect all transactions entered into by the Company and the subsidiaries, proper reserves and accurately reflect the financial position of the Company and the subsidiaries.

10.4 Insurance. The Company agrees to maintain or cause to be maintained with financially sound and reputable insurers rated A or above by A.M. Best, insurance with respect to its assets and business and the assets and business of its subsidiaries against loss or damage of the kinds customarily insured against by similarly situated entities of established reputation engaged in the same or similar businesses, in adequate amounts. At the request of any Investor, the Company will furnish such Investor with evidence of the same. As soon as practicable, but in no event later than sixty (60) days after the Initial Closing, the Company will obtain, and will at all times thereafter maintain key man life insurance policies in the amount required by the Investors on the life of Brady M. Brus so long as he is employed by the Company or its successors. The foregoing policy: (a) will be issued by an insurance company reasonably acceptable to the Company; (b) will name the Company as beneficiary and owner; (c) will be collaterally assigned to the Investors to secure the Company's obligations under this Agreement; and (d) will provide for ten (10) days prior notice to McClendon (or another person selected by the holders of a majority of the Series B Preferred Stock), to receive all notices under the policies including all notices of termination, assignment or

change in the policy. The Company will pay all premiums on such insurance and will not assign, pledge, encumber, terminate or modify such policies to any person other than the Investor, without the consent of the holders of a majority of the Series B Preferred Stock. In addition to the foregoing, the Company will maintain directors and officers insurance in an amount, on terms and issued by insurance companies approved by the holders of a majority of the Series B Preferred Stock.

- 10.5 Payment of Taxes. The Company agrees to promptly pay or cause to be paid all taxes, assessments and other governmental charges levied or assessed on the Company, franchises, businesses, income or profits, other than those taxes being contested in good faith, by appropriate actions promptly initiated and diligently conducted if: (a) the appropriate provision is made therefor; and (b) such contest does not and will not have a material adverse effect on the financial condition of the Company or any subsidiary.
- 10.6 Compliance With Laws. The Company agrees to use its best efforts to comply in all material respects and cause each subsidiary to comply with all laws, rules, regulations, judgments, orders and decrees of any governmental or regulatory authority applicable to the Company, any subsidiary or their respective assets and businesses, the violation of which could have a material adverse effect on the business, affairs, assets, prospects, operations or condition, financial or otherwise, of the Company or any subsidiary.
- 10.7 Corporate Existence; Property and Operations. The Company agrees to preserve, protect, and maintain, and cause each subsidiary to preserve, protect, and maintain: its corporate existence; and all rights, franchises, accreditations, privileges, and properties the failure of which to preserve, protect, and maintain could have a material adverse effect on the business, affairs, assets, prospects, operations, or condition, financial or otherwise, of the Company or any subsidiary. The Company and each subsidiary will comply with all material agreements, obligations and contracts, including, but not limited to, all leases, any agreements relating to all indebtedness, this Agreement and the Related Agreements.
- 10.8 Director Expenses. The Company will promptly pay or reimburse each director designated by the Investor pursuant to the Shareholders Agreement for all reasonable out-of-pocket expenses incurred in connection with attending board or committee meetings of the Company or any subsidiary or in performing their duties as directors (including acting and members of committees of a board of directors) of the Company or any subsidiary.
- 10.9 Proprietary Rights. The Company and each subsidiary will possess and maintain all material Proprietary Rights necessary to the conduct of their respective businesses and own all right, title and interest in and to, or have a valid license for, all material Proprietary Rights necessary or useful in the conduct of their business. The Company will not fail to take any action which would result in the

invalidity, abuse, misuse or unenforceability of any Proprietary Rights or which would infringe on any rights of other Persons. Except as otherwise approved by the Board in a particular case, the Company will use its best efforts to enter into: (a) an assignment of invention/confidentiality agreement with each of its current and future officers, technical employees and independent contractors; and (b) an employment, non-competition and non-solicitation agreement with each employee. For purposes of this Agreement, "Person" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, company, institution, entity, party, or governmental unit (whether national, federal, state, county, city, municipal, or otherwise, including, without limitation, any instrumentality, division, agency, body, or department of any of the foregoing).

- 10.10 Bylaws. The Company will at all times cause its bylaws to provide that: (a) the number of directors will consist of up to five (5) persons, any additional directors elected in accordance with the Shareholders Agreement plus any directors that can be appointed by the holders of the Preferred Stock after a Default under the Certificate of Designation; (b) unless otherwise required by the laws of the State of Oklahoma any two (2) directors or any holder or holders of at least ten percent (10%) of the outstanding shares of Series A Preferred Stock or Series B Preferred Stock may call a meeting of the Board on five (5) days prior notice and the shareholders on ten (10) days prior notice; (c) a majority of the persons then serving as directors will constitute a quorum of the Board; (d) the number of directors fixed in accordance with the bylaws will in no event conflict with any of the terms or provisions of the Preferred Stock as set forth in the Certificate of Designation; and (e) the terms of the directors of the Company will be limited to one (1) year. The Company will at all times maintain provisions in its bylaws and its certificate of incorporation indemnifying all directors against liability and absolving all directors from liability to the Company and its shareholders to the maximum extent permitted under the laws of the State of Oklahoma.
- 10.11 Corporate Governance. The Company will: (a) hold meetings of the Board periodically, but not less often than bi-monthly; and (b) conduct at least once each year an offsite strategic planning retreat of two or more days which involves all executive officers of the Company, members of the Board and owners of more than ten percent (10%) of any class of capital stock.
- 10.12 Inspection and Observation Rights. Any person holding two and one half percent (2 ½%) of the Preferred Stock or Conversion Shares will have the right to examine the Company's books, records, other documents and data of the Company during normal business hours after reasonable notice. Without limitation of the foregoing, any holder of Conversion Shares will have the right to discuss and consult during normal business hours with the Company's officers, directors, and accountants regarding the operations and financial affairs of the Company and any subsidiary. All of the foregoing will be at the sole expense of the holder and not the Company.

- 10.13 Use of Proceeds. The Company will use the proceeds from the sale of the Series B Preferred Stock hereunder for: (a) working capital; (b) payment of all fees and expenses incurred by the Investors in connection with the transactions contemplated by this Agreement and the Related Agreements; (c) payment of the Company's pre-existing debt; and (d) other general corporate purposes.
- 10.14 Most Favored Nation Status. In the event the Company grants a right to a holder or Investor of an equity interest in the Company that was not granted to the Investors or is more favorable than a right granted to the Investors in the transactions contemplated by this Agreement, at the election of the Investors, such right will be automatically extended to the Investors as part of the Preferred Stock. The Company agrees to execute such documents as are necessary to extend such right or provision to the Investors.
- 10.15 Contract Obligations. The Company will perform and observe, or cause to be performed or observed as the case may be, all of its obligations pursuant to the terms, agreements and covenants of its Certificate of Incorporation, its Certificate of Designations, its Bylaws, this Agreement, Related Agreements, any other material agreements and all documents and agreements executed or delivered in connection with the transactions contemplated hereby and thereby.
- 10.16 Stock Authorization. The Company will at all times have authorized and reserved for issuance a sufficient number of shares of Common Stock to provide for the exercise rights granted to the holders of the Preferred Stock to provide for the exercise of the exchange rights granted to the Investors.
- 10.17 Instrument Replacement. The Company will issue a new Note or stock certificate in place of any previously issued instrument alleged to have been lost, stolen or destroyed, upon such terms and conditions as the Company's board of directors may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction (provided that an affidavit of any one of the Investors will be satisfactory for such purpose) and the giving of such indemnity as the Company's board of directors may reasonably request for the protection of the Company or any transfer agent or registrar (provided that as to the Lender, its own indemnification agreement will under all circumstances be satisfactory and no bond will be required). On surrender of any previously issued instrument described above that has been mutilated, the Company will issue a new instrument in place thereof.

11. Company's Negative Covenants. The Company hereby covenants and agrees with each of the Investors that during the Covenant Period, unless all of the directors appointed by the holders of the Preferred Stock pursuant to the Shareholders Agreement consent in writing and the holders of the Series B Preferred Stock consent to those matters as required in paragraph 11.19 of this Agreement, the Company will not directly or indirectly:

- 11.1 Dividends. Declare or pay, or permit any subsidiary which is not a wholly owned subsidiary to declare or pay, any dividends or distributions on any of the equity securities of the Company or any subsidiary other than the Preferred Stock.
- 11.2 Redemptions. Redeem, purchase or otherwise acquire, or permit any subsidiary to directly or indirectly redeem, purchase or otherwise acquire, any of the Company's or any subsidiary's equity securities other than the Preferred Stock, the Conversion Shares or as contemplated by the Related Agreements.
- 11.3 Equity Issuance. Except in strict compliance with the terms of this Agreement, authorize, issue, or enter into any agreement providing for the issuance (contingent or otherwise) of: (a) any notes or debt securities containing equity features including, but not limited to, any notes or debt securities convertible into or exchangeable for equity securities, issued in connection with the issuance of equity securities or containing profit participation features; (b) any equity securities (or any securities convertible into or exchangeable for any equity securities); or (c) any capital appreciation or profit participation rights. The prohibition on the issuance of equity securities under this paragraph 11.3 will not apply to: (x) the Conversion Shares; (y) equity securities issued as dividends on the Preferred Stock or Common Stock issued as dividends on Common Stock; or (z) options (and the Common Stock to be issued on the exercise of such options) to be issued as incentive compensation to employees or contractors of the Company and the subsidiaries under stock option plans unanimously approved by the Board.
- 11.4 Mergers. Merge or consolidate with any Person or permit any subsidiary to merge or consolidate with any Person (other than, in the case of a wholly-owned subsidiary, with or into the Company or any other wholly-owned subsidiary).
- 11.5 Sale of Assets. Sell, lease or otherwise dispose of, or permit any subsidiary to sell, lease or otherwise dispose of, assets in one or a series of related transactions that represent fifty percent (50%) or more of the Company's consolidated assets or income.
- 11.6 Liquidations. Liquidate, dissolve or effect a recapitalization or reorganization in any form of transaction.
- 11.7 Charter Amendments. Make any amendment to the Company's certificate of incorporation, certificate of designation or bylaws, including, but not limited to, an amendment altering, changing or otherwise amending the preferences or rights of the Preferred Stock or increasing or decreasing the number of directors constituting the Board.
- 11.8 Affiliate Transactions. Except as previously disclosed to the Investors in writing, enter into (directly or indirectly), or permit any subsidiary to enter into, any transaction with any officer, director or stockholder of the Company or subsidiaries or any entity in which any officer, director or stockholder of the

Company or subsidiaries may have an interest or of their respective affiliates, except for normal employment arrangements and benefit programs on reasonable terms or as permitted by this Agreement and the Related Agreements.

- 11.9 Investments. Make or permit to exist, or permit any subsidiary to make or permit to exist, any investment other than: (a) investments in obligations issued by, or guaranteed by, the United States Government with a term of less than one (1) year; (b) investments in negotiable certificates of deposit, bankers' acceptances or money market securities issued by any bank or branch of a bank having capital and surplus of at least \$100 million in the aggregate at all times with a term of less than one (1) year; and (c) investments in commercial paper rated P1 or A1 by Moody's Investors Service, Inc. or Standard & Poor's with a term of less than one (1) year.
- 11.10 Capital Expenditures. Make, or permit any subsidiary to make, any capital expenditures exceeding, in the aggregate, on a consolidated basis, the amounts set forth in the Budget approved by the Board.
- 11.11 Loans. Make, or permit any subsidiary to make, any loans or advances to, or guarantees for the benefit of, any person or entity, other than travel advances and similar loans to employees not to exceed Fifteen Thousand Dollars (\$15,000.00) at any one time in the aggregate.
- 11.12 Other Business. Enter into (directly or indirectly through a new subsidiary), or permit any subsidiary to enter into, the ownership, management or operation of any business other than the business conducted by the Company as of the Closing Date or contemplated by the written business plan provided to the Shareholders.
- 11.13 Subsidiaries. Establish or acquire any subsidiaries.
- 11.14 Indebtedness. Create, incur, assume or suffer to exist, or permit the Company and its subsidiaries, taken as a whole, to create, incur, assume or suffer to exist, Indebtedness in an aggregate amount exceeding Fifty Thousand Dollars (\$50,000.00) at any time outstanding, other than unsecured trade debt in the ordinary course of business not more than sixty (60) days past due or indebtedness in respect of taxes, assessments, levies or other governmental charges.
- 11.15 Related Agreements. Amend, modify or waive any provision of any of the Related Agreements, fail to enforce the provisions of any of the Related Agreements or fail to avail itself of any right or remedy thereunder.
- 11.16 Restrictive Agreements. Enter into, become a party to or become subject to, or permit any of its subsidiaries to enter into, become a party to or become subject to, any agreement or instrument, which by its terms would (under any circumstances): (a) restrict the Company's right to perform any of its obligations pursuant to the terms of this Agreement, the Related Agreements, the Certificate of Designation or the Company's bylaws (including, but not limited to, all

obligations relating to redemptions of the Preferred Stock); or (b) grant, provide or issue registration rights for any security which are equal to or more favorable than those granted under the Registration Agreement.

11.17 Liens. Grant, create, assume or permit to continue in existence, or permit any subsidiary to grant, create, assume or permit to continue in existence, any lien, security interest or encumbrance on any asset of the Company or any subsidiary other than (a) liens for taxes not yet due and payable, involuntary liens contested in good faith and similar encumbrances, and (b) liens for indebtedness incurred in compliance with paragraph 11.14.

11.18 Transactions. Enter into, assume or perform, or permit any subsidiary to enter into, assume or perform, any agreement, lease, sale, exchange, contract or transaction that: (a) violates this Agreement or the Related Agreements; or (b) is not in the Company's ordinary course of business based on historical practices.

11.19 Approval. In addition to the prior written consent of certain of the directors as required under this paragraph 11, any action to be taken by the Company or any subsidiary that is contrary to or inconsistent with the provisions of paragraphs 11.3, 11.4, 11.5, 11.6 or 11.7 will require the prior approval of the holders of a majority of the issued and outstanding Series B Preferred Stock.

12. Put Rights. At any time after the fifth anniversary of the Closing Date, each Investor or any holder of the Preferred Stock or the Conversion Shares (a "PR Party") will have the right to elect to require the Company to purchase all or part of such PR Party's Preferred Stock or Conversion Shares by providing written notice (a "PR Notice") to the Company designating the number of the foregoing securities the PR Party intends to sell to the Company (the "PR Securities"). On receipt of a PR Notice the Company will provide written notice of the election to all other PR Parties and agrees to unconditionally and irrevocably purchase for cash all of the PR Securities described in the PR Notice on the terms set forth in this paragraph.

12.1 Put Price. The amount to be paid for the PR Securities (the "Put Price") will be equal to: (a) the Initial Liquidation Value for the respective series of Preferred Stock set forth in the Certificate of Designation, multiplied by the number of PR Securities; plus (b) all accumulated but unpaid dividends (whether declared or not declared) on such Preferred Stock.

12.2 Closing. The closing of the sale of the PR Securities will occur within fifteen (15) days after the Company receives the PR Notice and, at such closing, the PR Party will deliver the PR Securities free and clear of all liens, claims and encumbrances other than those that arise under this Agreement or the Related Agreements.

13. Default. The Company will be in Default under this Agreement if any of the following events occur (a "Default"):

13.1 Breach of Agreement. Default in the performance or observance of any covenant contained in this Agreement, the Related Agreements, the Certificate of Designation or any other agreement among the Company and any of the

Shareholders entered into in connection with this Agreement including, without implied limitation, the failure of the Company to pay or satisfy any redemption, payment, purchase or other obligation with respect to the Preferred Stock or the Conversion Shares even if such failure results from any restriction or prohibition on the ability of the Company to satisfy such obligations; or

- 13.2 Representations and Warranties. Any representation, statement, certificate, schedule or report made or furnished to the Investors by or on behalf of the Company or any subsidiary proves to be false or erroneous in any material respect; or
- 13.3 Material Agreements. The Company or any subsidiary defaults under or fails to duly observe, perform or comply with any term or condition of any contract, instrument or agreement with any person if such contract, instrument or agreement is material to the Company or any subsidiary or such default or failure can reasonably be expected to materially and adversely effect the Company, any subsidiary or their respective businesses or assets; or
- 13.4 Indebtedness. The default by the Company or any subsidiary in the payment of any interest, principal or other amount on any indebtedness greater than Ten Thousand Dollars (\$10,000.00) in the aggregate owing to any person or the maturity or acceleration of any such indebtedness; or
- 13.5 Insolvency. The Company or any subsidiary admits the inability to pay its debts as such debts mature; or
- 13.6 Bankruptcy. The institution of bankruptcy, reorganization, readjustment of any debt, liquidation, receivership proceedings by or against the Company or any subsidiary under the Bankruptcy Code, as amended, any part thereof, or under any other laws, whether state or federal, for the relief of debtors, now or hereafter existing (which in the case of an involuntary filing, is not removed or dismissed in sixty (60) days); or
- 13.7 Receivership. The appointment of a receiver or trustee for the Company, any subsidiary or any substantial part of their assets or businesses or the discontinuance of business by the Company or any subsidiary; or
- 13.8 Judgment. Entry by any court of a final judgment against the Company or any subsidiary in an amount greater than Fifty Thousand Dollars (\$50,000.00) or an attachment of any of the assets of the Company or any subsidiary by any means including, without limitation, levy, distraint, replevin, or self-help, which is not discharged or stayed within thirty (30) days thereof; or
- 13.9 Management. Brady M. Brus ceases to be employed on a full time basis by the Company or any subsidiary for any reason (other than as a result of death or disability) without the consent of a majority of the Investors.

14. Remedies. On the occurrence of a Default the Investors may elect to do any of the following:

- 14.1 Exercise Remedy. The Investors may exercise any remedy at law or in equity or any remedy provided by this Agreement, the Related Agreements or the Certificate of Designation including, without limitation, requiring the Company to redeem the Preferred Stock.
- 14.2 Selective Enforcement. In the event the Investors elect to selectively and successively enforce the Investors' rights under any one or more of this Agreement, the Related Agreements or the Certificate of Designation, such action will not be deemed a waiver or discharge of any other right or remedy until such time as all of the Company's obligations thereunder have been satisfied.
- 14.3 Waiver of Default. The holders of a majority of the Series A Preferred Stock and the Series B Preferred Stock then outstanding may, by an instrument or instruments in writing, signed by such majority, waive any default which occurs and any of the consequences of such default, and, in such event, the Investors and the Company will be restored to their respective former positions, rights and obligations hereunder. Any default so waived will, for all purposes of this Agreement, be deemed to have been cured and not to be continuing, but no such waiver will extend to any subsequent or other default or impair any consequence of such subsequent or other default.
- 14.4 Indemnification. The Company agrees to indemnify, pay and hold the Investors and their respective affiliates and any subsequent holder of any Preferred Stock or Conversion Shares, and the officers, directors, employees and agents of the Investors, such holders and their respective affiliates (collectively called the "Indemnitees"), harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, and expenses of any kind or nature whatsoever including, but not limited to, the reasonable fees and disbursements of counsel for such Indemnitees, in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees will be designated a party thereto, which may be imposed on, incurred by, or asserted against such Indemnitee, in any manner relating to or arising out of (a "Claim"): (a) the breach or inaccuracy of any representation or warranty or failure to perform any covenant in this Agreement or the Related Agreements; (b) the ownership or acquisition of any of the Preferred Stock or Conversion Shares arising from or related to a breach of this Agreement, the Related Agreements, the Company's formation documents, including without limitation any covenant to or for the benefit of the Investors; (c) the performance by the Investors of this Agreement or the Related Agreements, except that the Company will have no obligation hereunder to an Indemnitee with respect to any such liabilities arising directly out of the gross negligence or willful misconduct of such Indemnitee as determined by a final, non-appealable judgment of a court of competent jurisdiction and will have no obligation for any Claim related to the diminution in value of the Preferred Stock or Conversion Shares other than a

Claim made pursuant to clause (a) or (b) above. If any indemnity provided for in the preceding sentence is not available solely because it is found to be contrary to public policy or otherwise unlawful, then the Company and the Indemnitees will contribute to the amount payable in such proportion as is appropriate to reflect the relative faults and benefits and any other relevant equitable considerations.

14.5 Procedure. If any Claim or alleged Claim is brought against any Indemnitee in respect of which such Indemnitee may be indemnified under this paragraph by the Company, such Indemnitee will promptly notify the Company in writing of such Claim and reasonably identify the factual basis of such Claim as then known. The Company at its option may assume the defense of any action in respect of which it has acknowledged its obligation to indemnify such Indemnitee under this paragraph 14.5. If the Company assumes the defense of any action, the Indemnitee will not be liable for any settlement thereof without its consent (but such consent will not be unreasonably withheld). If the Company assumes the defense of any such action, such Indemnitee will have the right to employ separate counsel in such action and to participate in the defense thereof, but the fees and expenses of such counsel will be paid by such Indemnitee unless in the reasonable opinion of such Indemnitee there may be a conflict between the positions of the Company and of such Indemnitee in conducting the defense of such action or that there may be legal defenses available to such Indemnitee different from or in addition to those which counsel to the Company would be able to raise, in which event the fees and expenses of such counsel will be paid by the Company.

14.6 Environmental and Governmental. Without limiting the generality of the indemnity set out in this paragraph, the Company will defend, protect, indemnify and hold harmless each Investor and all other Indemnitees from and against any and all actions, causes of action, suits, losses, liabilities, damages, injuries, penalties, fees, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, each Investor or any other Indemnitee pursuant to environmental laws with respect to the past, present or future operations or facilities of the Company, any subsidiary or any predecessors, successors, or affiliates thereof. The Company also agrees to pay all governmental assessments, charges or taxes (except income taxes), including any interest or penalties thereon, at any time payable or ruled to be payable in respect of the existence, execution, delivery or performance of this Agreement and the Related Agreements or the issuance or existence of Preferred Stock or Conversion Shares, by reason of an existing or hereafter enacted federal, state or local statute, and to indemnify and hold each Investor, and each and every holder of Preferred Stock or Conversion Shares, harmless against liability in connection with any such assessments, charges or taxes.

15. Miscellaneous. The parties further agree as follows:

15.1 Fees and Expenses. The Company agrees to pay on demand the following amounts: (a) all of the Company's costs and expenses of compliance with all

agreements and conditions contained in this Agreement and in the Related Agreements; (b) attorney fees, expenses and disbursements of one (1) counsel to the Investors in connection with the preparation, negotiation and execution of this Agreement and the Related Agreements; (c) all other reasonable, documented, out-of-pocket expenses incurred by the Investors in connection with their due diligence investigation of the Company and the performance of this Agreement and the Related Agreements by the Investors; and (d) all reasonable, documented, out-of-pocket costs and expenses (including reasonable attorney's fees and costs) incurred by the Investors or any holder of the Preferred Stock and the Conversion Shares arising out of or in connection with the administration, enforcement or preservation of any rights under this Agreement and the Related Agreements in connection with a default, request for waiver or enforcement of other rights, remedies or obligations in such agreements.

- 15.2 Consent to Amendments; Waivers. The provisions of this Agreement may be amended or waived at any time only by the written agreement of the Company and holders of not less than seventy-five percent (75%) of the Series A Preferred Stock and Series B Preferred Stock (including Conversion Shares for each series). Any waiver, permit, consent or approval of any kind or character on the part of any such holder of any provisions or conditions of this Agreement must be made in writing and will be effective only to the extent specifically set forth in such writing. No course of dealing between the Company and any holder of Preferred Stock or Conversion Shares and no delay in exercising any right, remedy, or power conferred hereby, by the Related Agreements, or the Certificate of Designation, or now or hereafter existing at law or under equity, by statute or otherwise, will operate as a waiver of or otherwise prejudice any such right, power or remedy.
- 15.3 Representations and Warranties. All representations and warranties contained herein or made in writing by any party in connection herewith will survive and not be waived, discharged, released, modified, terminated or affected by the execution and delivery of this Agreement, any closing, and any investigation or due diligence made at any time, or knowledge obtained or capable of being obtained at any time, by or on behalf of the Shareholders or holders of the Preferred Stock or Conversion Shares.
- 15.4 Successors and Assigns. This Agreement and the provisions hereof cannot be assigned except in connection with a permitted assignment of the Preferred Stock or Conversion Shares. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto will bind and inure to the benefit of the respective successors and assigns of the parties hereto, whether so expressed or not. In addition, and whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of each Investor or holder of the Preferred Stock or Conversion Shares are also for the benefit of, and enforceable by, any subsequent holders of such shares.

- 15.5 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.
- 15.6 Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and will not be utilized in interpreting this Agreement.
- 15.7 Notices. Any notice, demand or communication required or permitted to be given by any provision of this Agreement will be in writing and will be deemed to have been given and received when delivered personally or by telefacsimile to the party designated to receive such notice, or on the date following the day sent by overnight courier, or on the third (3rd) business day after the same is sent by certified mail, postage and charges prepaid, directed to the following addresses or to such other or additional addresses as any party might designate by written notice to the other parties:
- | | |
|-------------------|--|
| To the Company: | Brady Brus, President
14701 Spruce Drive
Piedmont, Oklahoma 73078 |
| To the Investors: | The address set forth for in the records of
the Company |
| With a copy to: | Tom Blalock, Esquire
Commercial Law Group, P.C.
210 Park Avenue
Suite 700
Oklahoma City, Oklahoma 73102
Fax: (405) 232-5553 |
- 15.8 Governing Law. All questions concerning the construction, validity and interpretation of this Agreement, and the performance of the obligations imposed by this Agreement, will be governed by the laws of the State of Oklahoma applicable to contracts made and wholly to be performed in that state.
- 15.9 Exhibits and Schedules. All exhibits and schedules hereto are an integral part of this Agreement.
- 15.10 Exchange of Certificates. Upon surrender by any holder to the Company of any certificate or certificates evidencing any shares of stock of the Company, the Company at its expense will issue in exchange therefor, and deliver to such holder, a new certificate or certificates representing such shares of stock of the Company, in such denomination or denominations as may be requested by such holder. Upon receipt of evidence satisfactory to the Company of the loss, theft,

destruction or mutilation of any certificate representing any shares of stock of the Company, and in case of any such mutilation, upon surrender and cancellation of such certificate, the Company at its expense will issue and deliver to any such holder a new certificate evidencing such shares of stock of the Company of like tenor, in lieu of such lost, stolen, destroyed or mutilated certificate.

- 15.11 Brokerage. The Company represents to the Investors that the Company has dealt with no broker in connection herewith. The Company agrees to hold the Investors harmless from any claim for brokerage commissions asserted by any other party as a result of dealings with the Company. The Investors agree to indemnify and hold the Company harmless from any claim for brokerage commissions asserted by any party as a result of dealings with the Shareholders.
- 15.12 Final Agreement. This Agreement and the documents executed in connection herewith constitute the complete and final agreement of the parties concerning the matters referred to herein, and supersede all prior agreements and understandings. This Agreement amends and restates in its entirety the Recapitalization Agreement dated December 18, 2008, among the parties to this Agreement.
- 15.13 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and such counterparts together will constitute one instrument.

[SIGNATURE PAGES FOLLOW]

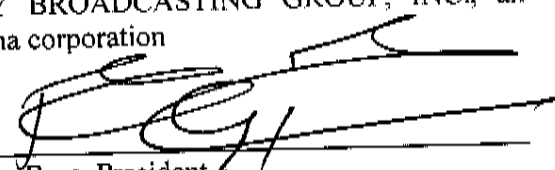
SIGNATURE PAGE
(Amended and Restated Recapitalization Agreement)

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

COMPANY:

FAMILY BROADCASTING GROUP, INC., an
Oklahoma corporation

By _____

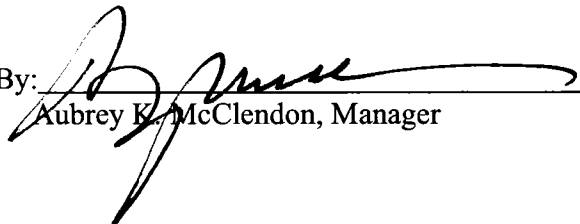

Brady Brus, President

SIGNATURE PAGE
(Amended and Restated Recapitalization Agreement)

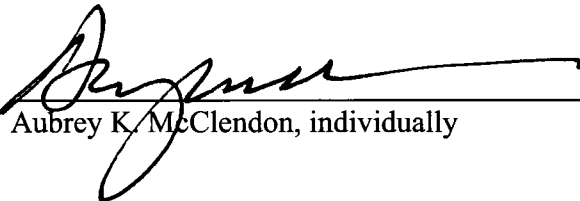
IN WITNESS WHEREOF, the parties hereto have executed this Recapitalization Agreement on the date first set forth above.

INVESTOR:

MCCLENDON VENTURE COMPANY, L.L.C.,
an Oklahoma limited liability company

By: 
Aubrey K. McClendon, Manager

INVESTOR:


Aubrey K. McClendon, individually

SIGNATURE PAGE

(Amended and Restated Recapitalization Agreement)

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

INVESTOR:

WARD FAMILY ENTERPRISES, LP, an Oklahoma limited partnership

By: WARD ASSET MANAGEMENT, L.L.C., an Oklahoma limited liability company, its general partner

By:  _____
Tom L. Ward, Manager

INVESTOR:

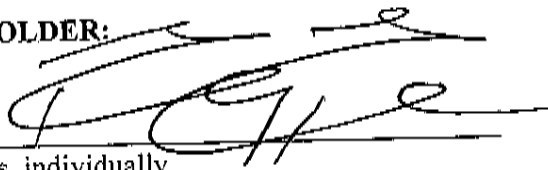
TLW VENTURE COMPANY, L.L.C., an Oklahoma limited liability company

By:  _____
Tom L. Ward, Manager

SIGNATURE PAGE
(Amended and Restated Recapitalization Agreement)

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

SHAREHOLDER:

A handwritten signature in black ink, appearing to read 'Brady Brus', is written over a horizontal line. The signature is stylized and cursive.

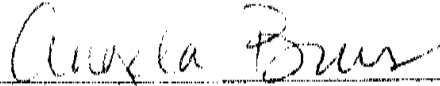
Brady Brus, individually

SIGNATURE PAGE

(Amended and Restated Recapitalization Agreement)

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

SHAREHOLDER:



Angela Brus, individually

SIGNATURE PAGE

(Amended and Restated Recapitalization Agreement)

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

SHAREHOLDER:

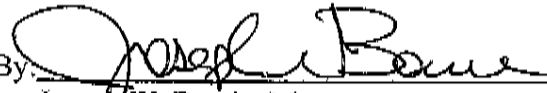
JANET BOWIE TRUST



Joseph W. Bowie, Trustee

SHAREHOLDER:

SEEKFIRST MEDIA PARTNERS, L.L.C., an
Oklahoma limited liability company

By: 

Joseph W. Bowie, Manager

SCHEDULE "4"

Conversion of 2006 Notes

<u>Lender</u>	<u>Principal</u>	<u>Interest</u>	<u>Series A Preferred Stock</u>
Aubrey K. McClendon	5,000,000.00	1,275,616.44	25,258
Ward Family Enterprises, LP	5,000,000.00	1,275,616.44	25,258
TOTALS	<u>\$ 10,000,000</u>	<u>\$ 2,551,232.88</u>	<u>50,516</u>

SCHEDULE "5"

Series B Preferred Stock

<u>Lender</u>	<u>Total Consideration</u>	<u>Series B Preferred Stock</u>
Aubrey K. McClendon	1,565,000	169,689
Ward Family Enterprises, LP	1,565,000	169,689
TOTALS	<u>\$ 3,130,000</u>	<u>339,378</u>