RECORDED AT THE REQUEST OF AND RETURN TO:

Laura Minton Breckenridge
Furlong Butler Attorneys
825 Cleveland Avenue
Mount Vernon, WA 98273

Land Title and Escrow
Escrow No. 148142-SE

MORTGAGE

The information contained in this boxed section is for recording purposes only pursuant to RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Document Title: Mortgage
Grantor: CENTENNIAL RESOURCES, LLC a Washington limited liability company
Grantee: MICHAEL T. CRAWFORD and MARK D. CRAWFORD
Abbreviated Legal Description: PTN of N½ NW¼ S13 T35N R6E
S½ of NE S12 T35N R6EWM
SE S12 T35N R6EWM
E½ of SE SW S12 T35N R6EWM
PTN SW SW & W½ SE SW S12 T35N R6EWM
Tax Parcel Numbers: 350613-0-010-0014 P41109, 350612-1-002-0005 P41083, 350612-4-001-0000 P41096, 350612-4-002-0009 P41097, 350612-4-003-0008 P41098, 350612-3-004-0200 P99316, 350612-3-003-0200 P99310, 350612-3-003-0300 P100039, 350612-3-004-0300 P100037
Reference Number(s) of Documents Affected: N/A

THIS MORTGAGE ("Mortgage") is made and executed as of December 17, 2013, by the Grantor, CENTENNIAL RESOURCES, LLC, a Washington limited liability company ("Grantor"), whose mailing address is c/o Miles Sand and Gravel Company, 400 Valley Avenue NE, Puyallup, Washington 98372 and lenders MICHAEL T. CRAWFORD and MARK D. CRAWFORD, (collectively "Lender"), whose mailing address is 4435 Agate Road, Anacortes, Washington 98221.

For valuable consideration, Grantor mortgages and conveys to Lender as collateral under the terms and conditions of the Promissory Notes and Loan Documents entered into between Grantor, Lender, Walter F. Miles and Lisa J. Kittilsby (collectively "Guarantors") (Grantor, Lender and Guarantor referred to herein collectively as "Parties") all of Grantor's present and future estate, right, title, claim and interest, either in law or in equity, in and to the following property ("Property"):

a. The real property described in **Exhibit A**, together with all existing and subsequent improvements, easements, access, development rights, minerals and oil, mineral and oil rights, gas and other hydrocarbon substances, water, water rights and water stock, and all other rights, hereditaments, privileges and appurtenances now or hereafter belonging or in any way appertaining to such real property; and

b. All proceeds of the foregoing.

TO SECURE THE FOLLOWING ("Secured Obligations"):

a. Payment of the sum of Four Hundred Fifty Thousand Dollars ($450,000.00), with interest thereon, according to the terms and provisions of the promissory note of even date herewith (the "Note"), payable to Michael T. Crawford;

b. Payment of the sum of Four Hundred Fifty Thousand Dollars ($450,000.00), with interest thereon, according to the terms and provisions of the promissory note of even date herewith (the "Note"), payable to Mark D. Crawford;

c. Payment of all other sums which are or may become owing under the Loan Documents (as hereinafter defined);

d. Performance of all other obligations under the Loan Documents.

As used herein, the term "Loan Documents" means the Notes, this Mortgage, the Unconditional Guaranty Agreements given by Guarantors to Michael T. Crawford and Mark D. Crawford ("Guarantys") and all related documents and instruments, and any and all modifications, extensions, renewals and replacements thereof. The Secured Obligations may be amended, modified, adjusted, renewed or renegotiated as agreed to by the Parties in writing.

Lender grants to Grantor a license to collect the rents, proceeds and profits, which license may be revoked at Lender's option and shall be automatically revoked upon acceleration of all or part of the Secured Obligations.

THIS MORTGAGE IS GIVEN TO SECURE (A) PAYMENT OF THE SECURED OBLIGATIONS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTES, THE LOAN DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE SHALL BE, AT ALL TIMES, A FIRST POSITION MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

a. Grantor's Waivers. Grantor waives all rights and defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law that may prevent, hinder or delay Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action.

b. Grantor's Representations and Warranties. Grantor warrants that: (a) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property;

and (b) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor.

c. Payment and Performance. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender the Secured Obligations secured by this Mortgage as they become due, and Grantor and Guarantors shall strictly perform all of Grantor's obligations under this Mortgage and the Loan Documents.

GRANTOR HEREBY REPRESENTS, WARRANTS, COVENANTS AND AGREES AS FOLLOWS:

1. Title and Use.

1.1 Warranty of Title. Grantor warrants, represents, covenants and agrees as follows: (a) Grantor holds marketable title to the Property with the full right and power to grant, convey and assign the Property; (b) the Property is free from liens, encumbrances, exceptions and other charges of any kind whatsoever, except for the exceptions listed in Lender's title policy (the "Permitted Exceptions"); (c) no other lien or encumbrance, whether superior or inferior to this Mortgage, shall be created or suffered to be created by Grantor without the prior written consent of Lender; and (d) Grantor shall forever warrant and defend the Property unto Lender against all claims and demands of any other person whatsoever, subject only to nondelinquent taxes and assessments, the Permitted Exceptions and this senior Mortgage.

1.2 Commercial Loan. Grantor represents and warrants to Lender that the loan secured by this Mortgage was not made primarily for personal, family or household purposes.

2. Grantor's Covenants.

2.1 Payment and Performance of Secured Obligations. Grantor shall pay when due all sums which are now or which may become owing under the Notes, and shall pay and perform all other Secured Obligations in accordance with their terms.

2.2 Payment of Taxes, Utilities, Liens and Charges.

a. Taxes and Assessments. Except as the same may otherwise be paid under Section 3, Grantor shall pay when due directly to the payee thereof all taxes and assessments levied, assessed or charged against or with respect to the Property.

b. Liens and Charges. Grantor shall pay when due the claims of all persons supplying labor or materials to or in connection with the Property and Grantor shall promptly discharge any lien, encumbrance or other charge (other than the Permitted Exceptions), whether superior or inferior to this Mortgage, which may be claimed against the Property; provided that Grantor shall have the right to contest the amount or validity in whole or in part of any lien, encumbrance or other charge against the Property by appropriate proceedings conducted in good faith and with due diligence, in which event Grantor, upon prior written notice to Lender may postpone or defer payment of such lien, encumbrance or other charge so long as (i) such proceedings shall operate to prevent the collection of the lien, encumbrance or other charge; (ii) neither the Property nor any part thereof will, by reason of such postponement or deferment, be in danger of being forfeited or lost; and (iii) Grantor, before the date such lien, encumbrance or other charge becomes delinquent, gives such reasonable security as may be requested by Lender to ensure payment thereof and prevent any forfeiture or loss of the Property or any part thereof.

2.3 Insurance. At all times Grantor shall keep in effect with respect to the Property, commercial general liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Property in amounts and on terms acceptable to Lender.

2.4 Possession and Maintenance of Property. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

a. Payment and Performance. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the rents and proceeds from the Property (this privilege is a license from Lender to Grantor automatically revoked upon default).

b. Maintenance. Grantor shall (i) not commit or suffer any waste or permit any impairment or deterioration of the Property, (ii) not abandon the Property, (iii) keep the Property, in good condition, and (iv) generally operate and maintain the Property in a commercially reasonable manner.

c. Right of Entry. Lender is hereby authorized to enter the Property, at reasonable times and after reasonable notice, for the purpose of inspecting the Property to determine Grantor's compliance with this and other Sections of the Mortgage.

d. Additional Documents. Grantor shall execute and deliver to Lender such additional security documents and instruments as Lender deems necessary to continue and to perfect Lender's security interest, in and lien on the Property in first position.

2.5 Use of Property. Grantor represents and warrants to Lender that, to the best of its knowledge, the Property and its intended use by Grantor comply with all applicable restrictive covenants, zoning and subdivision laws, ordinances, regulations and legal requirements, building codes, flood disaster laws, applicable health and environmental laws and regulations and all other laws, ordinances, regulations, orders and legal requirements issued by any state, federal or municipal authority having or claiming jurisdiction over the Property. Grantor shall comply with all laws, ordinances, regulations and requirements of any governmental body, and all other covenants, conditions and restrictions applicable to the Property and its intended use, and pay all fees and charges in connection therewith. Unless required by applicable law or unless Lender has otherwise agreed in writing, Grantor shall not allow changes in the use for which all or any part of the Property was intended at the time this Mortgage was executed. Grantor shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent.

2.6 Condemnation.

a. Proceedings. Grantor shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking. All such awards, payments, damages, direct, consequential and otherwise, claims and proceeds thereof, in connection with any such condemnation or other taking, or for conveyances in lieu of condemnation, are hereby assigned to Lender up to the amount of the Secured Obligations, and all proceeds of any such awards, payments, damages or claims shall be paid to Lender.

b. Application of Condemnation Proceeds. Lender shall apply any such proceeds in the manner provided for in Section 8.2.

2.7 Protection of Lender's Security. Grantor shall give notice to Lender of and shall appear in and defend any action or proceeding that may affect the Property, the interests of Lender, or the rights or remedies of Lender under the Loan Documents. If any such action or proceeding is commenced and there is an uncured Event of Default, or Grantor fails to perform any of the Secured Obligations, Lender may, at its option after reasonable written notice to Grantor, make any appearances, disburse any sums, pay or settle any claims that have resulted in or may result in a lien of any portion of the property, make any entries upon the Property and take any actions as may be necessary or desirable to (i) protect or enforce the security of this Mortgage, (ii) remedy Grantor's failure to perform the Secured Obligations (without waiving such default by Grantor), and (iii) otherwise protect Lender's interests. Grantor shall pay all losses, damages, fees, costs and expenses incurred by Lender in taking such actions; including, without limitation, reasonable legal fees.

2.8 Reimbursement of Lender's Expenses. All amounts disbursed by Lender pursuant to Section 2.7 or any other provision of this Mortgage or the other Loan Documents, shall bear interest thereon at the default rate set forth in the Notes from the date of disbursement until repaid, and shall constitute a Secured Obligation. All such amounts shall be immediately due and payable and bear interest from the date of disbursement at the lesser of the default rate set forth in the Notes, or the maximum rate permitted by law.

3. Restrictions on Transfer or Encumbrance. Neither the Property nor any part thereof or interest therein shall be encumbered, sold (by contract or otherwise), conveyed, assigned, transferred, gifted, leased, optioned or otherwise transferred by Grantor. Any such action without Lender's prior written consent shall be deemed to increase the risk of Lender and shall constitute an Event of Default. Lender may, in its sole discretion, consent to any such action subject to such terms and conditions as Lender may require.

4. Lender's Rights and Remedies. With respect to the Property, Lender shall have all of the rights and remedies (a) of a secured party under the Uniform Commercial Code, (b) provided herein, including, without limitation, the right to cause such Property to be sold, and (c) provided by law. In exercising its remedies, Lender may proceed against the items of real property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies. This instrument shall constitute a Security Agreement to the extent

applicable and the Lender shall have all of the rights of a secured party under the Uniform Commercial Code, as amended from time to time.

5. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Lender that Grantor has not executed and will not execute any other assignment related to the Property that Grantor has not performed and will not perform any acts and has not executed and will not execute any instrument which would prevent Lender from exercising its rights under Mortgage.

5.1 Lender in Possession; Appointment of Receiver. Upon any Event of Default, Lender may, in person, by agent or by a court-appointed receiver, regardless of the adequacy of Lender's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof in the same manner and to the same extent as Grantor could do the same. Following an Event of Default, Lender shall be entitled (regardless of the adequacy of Lender's security) to the appointment of a receiver, Grantor hereby consenting to the appointment of such receiver. Such receiver may serve without bond and may be Lender or an employee or affiliate of Lender. The receiver shall have, in addition to all of the rights and powers customarily given to and exercised by such receivers, all the rights and powers granted to Lender in this Section. Lender and/or the receiver shall be entitled to receive a reasonable fee for so managing the Property.

5.2 Deficiencies. To the extent, if any, that the costs of taking control of and managing the Property, collecting the rents and proceeds, and discharging obligations and liabilities of Grantor under the Leases, exceed the rents and proceeds of the Property, the excess sums expended for such purposes, plus interest, shall constitute a Secured Obligation. Such excess sums shall be payable upon demand by Lender and shall bear interest from the date of disbursement at the lesser of the default rate set forth in the Notes, or the maximum rate permitted by law.

5.3 Lender Not Mortgagee in Possession. Nothing herein shall constitute Lender a "mortgagee in possession" prior to its actual entry upon and taking possession of the Property. Entry upon and taking possession by a receiver shall not constitute possession by Lender.

5.4 Enforcement. Lender may enforce this assignment without first resorting to or exhausting any security or collateral for the Secured Obligations.

6. Events of Default. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

6.1 Payment Default. Grantor fails to make any payment when due under the Notes, this Mortgage or any other Loan Documents.

6.2 Default of Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

6.3 Other Defaults. Grantor fails to comply with or perform any other term, obligation, covenant or condition contained in this Mortgage, the Notes or in any of the Loan Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor in place as of the effective date of this Mortgage.

6.4 Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, contract purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Borrower's ability to repay the Secured Obligations or Grantor's ability to perform their respective obligations under this Mortgage or any of the Loan Documents.

6.5 False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or any of the Loan Documents is false or misleading in any respect, either now or at the time made or furnished or becomes false or misleading any time thereafter.

6.6 Defective Collateralization. This Mortgage or any of the Loan Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

6.7 Dissolution. The dissolution, termination or cancellation of Grantor's existence as a business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

6.8 Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency, against any property securing the Secured Obligations. This includes a garnishment of any of Grantor's accounts as a result of Grantor's debts.

6.9 Events Affecting Guarantor. If any of the other preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Secured Obligations or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or dispute the validity of, or liability under, any guaranty of the Secured Obligations.

6.10 Right to Cure. If any default, other than a default in payment is curable and Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

7. Remedies.

7.1 Acceleration Upon Default; Additional Remedies. Upon any Event of Default, Lender may, at its option upon ten (10) days after notice of default is given to Grantor, exercise any one or more of the following actions:

a. Declare all of the Secured Obligations immediately due and payable.

b. Bring a court action to enforce the provisions of this Mortgage or any of the other Loan Documents.

c. Foreclose this Mortgage.

d. Cause any or all of the Property to be sold.

e. Elect to exercise its rights with respect to any leases, rents and proceeds.

f. Exercise any or all of the other rights and remedies under this Mortgage and the other Loan Documents.

g. Exercise any other right or remedy available under law or in equity.

7.2 Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Secured Obligations due to Lender after application of all amounts received from the exercise of the rights provided in this Section.

7.3 Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

7.4 Notice of Sale. Lender shall give Grantor reasonable notice at the time and place of any public sale of the personal property or of the time after which any private sale or other intended disposition of the personal property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the personal property may be made in conjunction with any sale of the Property.

7.5 Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor, Guarantors and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly, or indirectly securing the Secured Obligations.

7.6 Notices. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, any notice required to be given under this Mortgage, including without limitation any notice or default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

7.7 Waiver of Order of Sale and Marshaling. Lender shall have the right to determine the order in which any or all portions of the Secured Obligations are satisfied from the proceeds realized upon the exercise of any remedies provided herein. To the fullest extent permitted by law, Grantor, any party who consents to this Mortgage and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof, hereby waives any and all right to require marshaling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein, or to direct the order in which any of the Property will be sold in the event of any sale under this Mortgage.

7.8 Non-waiver of Defaults. The entering upon and taking possession of the Property, the collection of rents or the proceeds of any insurance policies or compensation or awards for any taking or damage of the Property, and the application or release thereof as herein provided, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

7.9 Expenses During Redemption Period. If this Mortgage is foreclosed and the Property sold at a foreclosure sale, the purchaser may during any redemption period allowed, make such repairs or alterations on the Property as may be reasonably necessary for the proper operation, care, preservation, protection and insuring thereof. Any sums so paid together with interest thereon from the time of such expenditure at the lesser of the default rate set forth in the Notes, or the maximum rate permitted by law, shall be added to and become a part of the amount required to be paid for redemption from such sale.

7.10 Foreclosure Subject to Tenancies. Lender shall have the right at its option to foreclose this Mortgage subject to the rights of any tenant or tenants of the Property.

7.11 Remedies Cumulative. To the extent permitted by law, every right and remedy provided in this Mortgage is distinct and cumulative to all other rights or remedies under this Mortgage or afforded by law or equity or any other agreement between Lender and Grantor, and may be exercised concurrently, independently or successively, in any order whatsoever. Lender may exercise any of its rights and remedies at its option without regard to the adequacy of its security.

7.12 Lender's Expenses. Grantor shall pay all of Lender's expenses incurred in any efforts to interpret, administer or enforce any terms of this Mortgage, whether or not any suit is filed. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Secured Obligations payable on demand and shall bear interest at the Notes' rates from the date of the expenditure until repaid. Expenses covered by this Section include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also shall pay any court costs, in addition to all other sums provided by law. All such sums, with interest thereon, shall be additional indebtedness of Grantor secured by this Mortgage. Such sums shall be immediately due and payable and shall bear interest from the date of disbursement at the lesser of the default rate set forth in the Notes, or the maximum rate permitted by law.

8. General.

8.1 No Offset. Grantor's obligation to timely pay and perform all obligations under the Notes, this Mortgage and the other Loan Documents shall be absolute and unconditional and shall not be affected by any event or circumstance; including, without limitation, any setoff, counterclaim, abatement, suspension, recoupment, deduction, defense or any other right that Grantor or Guarantors may have or claim against Lender or any other person or entity. The foregoing shall not constitute a waiver of any claim or demand which Grantor or Guarantors may have in damages or otherwise against Lender or any other person or entity; provided that Grantor shall maintain a separate action thereon.

8.2 Application of Payments. Except as applicable law or this Mortgage may otherwise provide, all payments received by Lender under the Notes or this Mortgage shall be applied by Lender in the following order of priority: (a) Lender's expenses incurred in any efforts to enforce any terms of this Mortgage; (b) interest payable on advances made to protect the security of this Mortgage; (c) principal of such advances; (d) interest and late charges payable on the Notes; (e) principal of the Notes; and (f) any other Secured Obligations in such order as Lender, at its option, may determine; provided, however, that Lender may, at its option, apply any such payments received to interest on or principal of the Notes prior to applying such payments to interest on and principal of advances made to protect the security of this Mortgage.

8.3 Subrogation. Lender shall be subrogated for further security to the lien, although released of record, of any and all encumbrances discharged, in whole or in part, by the proceeds of the Notes or any other indebtedness secured hereby.

8.4 Limitation on Interest and Charges. The interest, fees and charges under the Loan Documents shall not exceed the maximum amounts permitted by any applicable law. If any such interest, fee or charge exceeds the maximum, the interest, fee or charge shall be reduced by the excess and any excess amounts already collected from Grantor shall be refunded. Lender may refund such excess either by treating the excess as a prepayment of principal under the Notes or by making a direct payment to Grantor. The provisions of this Section shall control over any inconsistent provisions in the Loan Documents.

8.5 Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy, and no waiver by Lender of any particular default shall constitute a waiver of any other default or of any similar default in the future. Without limiting the generality of the foregoing, the acceptance by Lender of payment of any of the Secured Obligations after the due date thereof shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage, nor shall Lender's receipt of any awards, proceeds or damages under this Mortgage operate to cure or waive Grantor's default in payment of the Secured Obligations.

8.6 Entire Agreement; Modifications and Waivers. This Mortgage together with the other Loan Documents constitute the entire understanding and agreement of Grantor and Lender with respect to the Loan. The Loan Documents supersede all prior negotiations, discussions, and agreements with respect to the Loan, may not be contradicted by evidence of any alleged oral agreement, and may not be waived, changed, discharged or terminated except by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

8.7 Notice. Any notice under this Mortgage shall be delivered or mailed, return receipt requested, to the parties at the addresses noted above. Either party may change its address by delivery of written notice to the other. Notices which are mailed shall be deemed delivered three days after the postmark thereof.

8.8 Governing Law; Severability; Captions. Except to the extent that the federal laws of the United States provide Lender with greater rights or remedies, this Mortgage shall be governed by the laws of the State of Washington. If any provision or clause of this Mortgage conflicts with applicable law, such conflicts shall not affect other provisions or clauses hereof which can be given effect without the conflicting provision, and to this end the provisions hereof are declared to be severable. The captions and headings of the paragraphs and sections of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

8.9 Definitions. As used herein: the term "Grantor" means Grantor herein named, together with any subsequent owner of the Property or any part thereof or interest therein; and the term "Lender" means Lender herein named, together with any subsequent owner or holder of the Notes or any interest therein, including pledgees, assignees and participants.

8.10 <u>Successors and Assigns; Agents</u>. This Mortgage shall bind and inure to the benefit of the parties hereto and their respective heirs, devisees, legatees, administrators, executors, successors and assigns, subject to the provisions of Section 3. In exercising any rights hereunder or taking actions provided for herein, Lender may act through their respective employees, agents or independent contractors as authorized by Lender.

8.11 <u>Number; Gender</u>. This Mortgage shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

8.12 <u>Time</u>. Time is of the essence in connection with all obligations of Grantor herein.

8.13 <u>Request for Notice</u>. Grantor hereby requests that a copy of any notices of default be mailed to it at its address set forth at the beginning of this Mortgage.

8.14 <u>Assignment of Loan Documents</u>. Lender may assign the Loan Documents in whole or in part. Lender may make available to any proposed assignee or participant all credit and financial data with respect to Grantor and the Guarantors as may be in the possession of Lender. Grantor agrees to provide any additional information that any proposed assignee or participant may reasonably request.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, Grantor has executed this Mortgage as of the date first above written.

GRANTOR:

CENTENNIAL RESOURCES, LLC, a
Washington limited liability company

By: [signature]

Its: CFO

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

Terri L. Vancil

On December 13, 2013, before me, ~~Lisa Kittilsby~~ personally appeared Lisa Kittilsby, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

TERRI L VANCIL
Notary Public
STATE OF WASHINGTON
My Commission Expires 12-14-16

TL Vancil

Printed Name Terri L. Vancil
Notary Public in and for the State of Washington
Residing at Olalla
My Commission Expires: 12-14-16

20131217007
Skagit County Auditor $86.00
12/17/2013 Page 13 of 15 3:26PM

EXHIBIT A
Legal Description
to
Mortgage

Schedule "A-1" **148142-SE**

DESCRIPTION:

PARCEL "A":

The South ½ of the Northeast ¼ and the Southeast ¼ of Section 12, Township 35 North, Range 6 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The East ½ of the Southeast ¼ of the Southwest ¼ of Section 12, Township 35 North, Range 6 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

That portion of the Southwest ¼ of Section 12, Township 35 North, Range 6 East, W.M., lying South of the following described line:

Beginning at the Southwest corner of said Section 12;
thence North 1°40'14" East, along the West line of said Section 12, a distance of 40.71 feet to the true point of beginning of this line description;
thence South 82°41'43" East, a distance of 43.65 feet;
thence North 87°57'24" East, a distance of 82.67 feet;
thence South 89°48'44" East, a distance of 226.30 feet;
thence North 81°15'48" East, a distance of 246.72 feet to the beginning of a curve to the right having a radius of 750.00 feet;
thence along the arc of said curve to the right through a central angle of 18°21'26" an arc distance of 240.30 feet;
thence South 80°22'46" East, a distance of 461.47 feet;
thence South 84°22'57" East, a distance of 78.69 feet;
thence South 88°14'59" East, a distance of 85.10 feet;
thence North 87°43'14" East, a distance of 85.94 feet;
thence North 79°59'22" East, a distance of 113.30 feet;
thence North 68°31'35" East, a distance of 111.78 feet;
thence North 61°37'47" East, a distance of 122.13 feet;
thence North 72°18'15" East, a distance of 121.00 feet to a point on the West line of the East ½ of the Southeast ¼ of the Southwest ¼ of said Section 12, and the terminus of this line description and said terminus point bears North 1°53'13" East, a distance of 204.78 feet from the Southwest corner of said East ½,

EXCEPT that portion conveyed to the Puget Sound and Baker River Railroad Company.

Situate in the County of Skagit, State of Washington.

Schedule "A-1" **148142-SE**

DESCRIPTION CONTINUED:

PARCEL "D":

The North 50 feet of the West 924 feet and the North 75 feet of the East 924 feet of the West 1848 feet, all in the Northwest ¼ of Section 13, Township 35 North, Range 6 East, W.M., ALSO that portion of the Northwest ¼ of Section 13, Township 35 North, Range 6 East, W.M., described as follows:

Beginning at a point on the North boundary line of said Section 13, 1848 feet East from the Northwest corner of said Section;
thence East along said North boundary line 350 feet;
thence in a Southwesterly direction to a point 75 feet South of the point of beginning;
thence North 75 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.