FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **2008-02-20**
SEC Accession No. 0001144204-08-010806

(HTML Version on secdatabase.com)

SUBJECT COMPANY

SONTERRA RESOURCES, INC.

CIK:**1104594**| IRS No.: **510392750** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **SC 13D/A** | Act: **34** | File No.: **005-79295** | Film No.: **08629935**
SIC: **1311** Crude petroleum & natural gas

Mailing Address	Business Address
300 EAST SONTERRA BLVD.	*300 EAST SONTERRA BLVD.*
SUITE 1220	*SUITE 1220*
SAN ANTONIO TX 78258	*SAN ANTONIO TX 78258*
	210-545-5994

FILED BY

LONGVIEW FUND LP

CIK:**1134340**| IRS No.: **000000000**
Type: **SC 13D/A**

Mailing Address	Business Address
VIKING ASSET MANAGEMENT LLC	*VIKING ASSET MANAGEMENT LLC*
600 MONTGOMERY STREET, 44TH FLOOR	*600 MONTGOMERY STREET, 44TH FLOOR*
SAN FRANCISCO, CA 94111	*SAN FRANCISCO, CA 94111*
	6503401074

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

Under the Securities Exchange Act of 1934
(Amendment No. 3)*

Sonterra Resources, Inc. (f/k/a River Capital Group Inc.)
(Name of Issuer)

Common Stock, $0.001 par value
(Title of Class of Securities)

83568A107
(CUSIP Number)

William E. McDonnell, Jr.
The Longview Fund, L.P.
600 Montgomery Street, 44th Floor
San Francisco, CA 94111
(415) 981-5300
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

February 14, 2008
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. £

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) The Longview Fund, L.P.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)S (b)£		
3	SEC USE ONLY		
4	SOURCE OF FUNDS WC		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £		
6	CITIZENSHIP OR PLACE OF ORGANIZATION California		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**7**	SOLE VOTING POWER 0	
	8	SHARED VOTING POWER 29,033,798(1)	
	9	SOLE DISPOSITIVE POWER 0	
	10	SHARED DISPOSITIVE POWER 29,033,798(1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,033,798(1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES£		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 94.7%(2)		
14	TYPE OF REPORTING PERSON PN		

(1) Includes 4,958,678 shares that may be acquired upon exercise of a warrant.

(2) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Longview Fund International, Ltd.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)S (b)£		
3	SEC USE ONLY		
4	SOURCE OF FUNDS WC		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £		
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**7**	SOLE VOTING POWER 0	
	8	SHARED VOTING POWER 339,066	
	9	SOLE DISPOSITIVE POWER 0	
	10	SHARED DISPOSITIVE POWER 339,066	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 339,066		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES£		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 1.3%[(1)]		
14	TYPE OF REPORTING PERSON CO		

(1) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the SEC on February 14, 2008.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Viking Asset Management, Ltd.		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)S (b)£		
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £		
6	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**7**	SOLE VOTING POWER 0	
	8	SHARED VOTING POWER 29,372,864(1)	
	9	SOLE DISPOSITIVE POWER 0	
	10	SHARED DISPOSITIVE POWER 29,372,864(1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,372,864(1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES£		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 95.8%(2)		
14	TYPE OF REPORTING PERSON IA		

(1) Includes 4,958,678 shares that may be acquired upon exercise of a warrant.

(2) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Viking Asset Management, LLC		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)S (b)£		
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £		
6	CITIZENSHIP OR PLACE OF ORGANIZATION California		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		**7**	SOLE VOTING POWER 0
		8	SHARED VOTING POWER 29,372,864(1)
		9	SOLE DISPOSITIVE POWER 0
		10	SHARED DISPOSITIVE POWER 29,372,864(1)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,372,864(1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES£		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 95.8%(2)		
14	TYPE OF REPORTING PERSON IA		

(1) Includes 4,958,678 shares that may be acquired upon exercise of a warrant.

(2) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY) Peter Benz		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)S (b)£		
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) £		
6	CITIZENSHIP OR PLACE OF ORGANIZATION U.S.A.		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	**7**	SOLE VOTING POWER 0	
	8	SHARED VOTING POWER 29,372,864(1)	
	9	SOLE DISPOSITIVE POWER 0	
	10	SHARED DISPOSITIVE POWER 29,372,864(1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 29,372,864(1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES£		
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 95.8%(2)		
14	TYPE OF REPORTING PERSON IN		

(1) Includes 4,958,678 shares that may be acquired upon exercise of a warrant.

(2) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

This Amendment No. 3 (this "**Amendment No. 3**") amends and supplements the Schedule 13D filed on February 1, 2007 and amended by Amendment No. 1 thereto filed on July 23, 2007 (such Amendment, "**Amendment No. 1**") and Amendment No. 2 thereto filed on August 9, 2007 (such Amendment, "**Amendment No. 2**"; and the Schedule 13D, as amended by Amendment No. 1 and Amendment No. 2, the "**Schedule 13D**"), with respect to shares of Common Stock, $0.001 par value (the "**Common Stock**"), of Sonterra Resources, Inc. (f/k/a River Capital Group Inc.), a Delaware corporation (the "**Issuer**"), beneficially owned by Peter Benz ("**Benz**"), The Longview Fund, L.P., a California limited partnership ("**Longview**"), Longview Fund International, Ltd., a British Virgin Islands international business company ("**LFI**"), Viking Asset Management Ltd., a British Virgin Islands international business company ("**Longview GP**"), and Viking Asset Management, LLC, a California limited liability company ("**Viking IA**", and together with Longview and Longview GP, the "**Reporting Entities**"; and the Reporting Entities and Benz collectively, the "**Reporting Persons**").

This Amendment No. 3 is being filed to update the Schedule 13D in light of recent developments. As amended by this Amendment No. 3, the Schedule 13D the remains in full force and effect. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Schedule 13D.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Item 3 of the Schedule 13D is amended by adding the following after the last paragraph thereof:

On February 14, 2008, after the effectiveness of the reverse split of the Common Stock at a ratio of 1-for-10 (i.e., one share of Common Stock for each 10 outstanding shares of Common Stock), the Issuer and Longview consummated the transactions contemplated by the Securities Exchange and Additional Note Purchase Agreement, dated as of August 3, 2007 (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "**Exchange Agreement**"). Specifically, among other things, Longview acquired from the Issuer (i) 21,846,558 shares of Common Stock (such shares being the "**New RCGI Common Shares**") in exchange for 333 shares of common stock of Sontera Oil & Gas, Inc. (f/k/a Sonterra Resources, Inc.) ("**Sonterra**") and a promissory note of Sonterra in the principal amount of $5,990,010, including the principal thereof and all accrued and unpaid interest thereon (the "**Sonterra Equity Note**"), (ii) a warrant to purchase 4,958,678 shares of the Common Stock (the "**RCGI Warrant**"; and the shares of Common Stock issuable upon exercise of the RCGI Warrant being referred to herein as the "**Warrant Shares**"), in exchange for a warrant to purchase 50 shares of common stock of Sonterra, and (iii) a senior secured note of the Issuer (the "**Initial RCGI Note**") in the original principal amount of $2,000,000, in exchange for a promissory note of Sonterra in same principal amount (the "**Sonterra Non-Equity Note**"). Longview funded its acquisition of the Issuer's securities on February 14, 2008, as contemplated by the Exchange Agreement, by exchanging the Sonterra securities as described above.

On January 17, 2008, Longview purchased from the Issuer a promissory note (the "**Short-Term Note**") in the principal amount of $50,000. Longview paid $50,000 for the Short-Term Note. Longview funded the acquisition of the Short-Term Note from its general working capital.

ITEM 4. PURPOSE OF TRANSACTION

Item 4 of the Schedule 13D is amended by adding the following after the last paragraph:

On January 17, 2008, Longview purchased the Short-Term Note from the Issuer for $50,000.

Pursuant to the Exchange Agreement, at the Exchange Closing (as defined in the Exchange Agreement) the Issuer was to pay to Longview an amount including all interest under the Sonterra Equity Note and under the Sonterra Non-Equity Note that was accrued and unpaid immediately prior to the Exchange Closing (the "**Owing Interest**"). In light of the Owing Interest, the Issuer and Longview entered into the February 2008 Amendment Agreement dated February 14, 2008 (the "**February Amendment**"). The February Amendment, which amended the Exchange Agreement, provided that, instead of the Owing Interest being paid at the Exchange Closing, (i) the Owing Interest under the Sonterra Equity Note would be part of the consideration exchanged by Longview for the New RCGI Common Shares, and (ii) an amount equal to the Owing Interest under the Sonterra Non-Equity Note would be added as interest owing under the Initial RCGI Note and would be due on the first interest payment date under the Initial RCGI Note.

The Exchange Closing occurred on February 14, 2008. The transactions consummated at the Exchange Closing are further described above in Item 3. In connection with the Exchange Closing, Michael Pawelek was appointed as a member of the Board of Directors of the Issuer, the other two directors of the Issuer resigned and the size of the Board of Directors was reduced to one member.

Except as otherwise provided herein, in the Schedule 13D, and in the exhibits hereto and thereto, the Reporting Persons have no current intention of engaging in any of the events set forth in Items 4(a) through (j) of form Schedule 13D. Although no Reporting Person has any specific plan or proposal to purchase or sell shares of Common Stock (except as set forth herein, in the Schedule 13D, or in an exhibit hereto or thereto), depending on various factors, including, without limitation, the Issuer's financial position and business strategy, price levels of shares of Common Stock, conditions in the securities market and general economic and industry conditions, each of the Reporting Persons may, acting either jointly or independently with respect to any other Reporting Person, take such actions with respect to its investment in the Issuer, if any, as it deems appropriate, including, without limitation, purchasing additional shares of Common Stock or selling some or all of its shares of Common Stock or engaging in hedging or similar transactions with respect to Common Stock in the ordinary course of its business.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5 of the Schedule 13D is amended by deleting the current disclosure thereunder and replacing it in its entirety with the following:

Longview and LFI directly own Common Stock. Longview GP is the general partner of Longview and the investment manager of LFI. Viking IA, which is the investment adviser of Longview and Longview GP and the sub-investment manager of LFI, makes all investment decisions with respect to the Common Stock of Longview and LFI. Accordingly, Longview GP and Viking IA each may be deemed to have shared voting and dispositive authority over Longview's and LFI's shares. In addition, Benz may be deemed to beneficially own the shares as a control person of the Reporting Entities.

Longview holds the following shares of the Issuer's Common Stock.

(a) Number of shares beneficially owned: 29,033,798[(1)]

Percentage of shares: 94.7%[(2)]

(b) SOLE VOTING POWER
0
SHARED VOTING POWER
29,033,798 shares
SOLE DISPOSITIVE POWER
0
SHARED DISPOSITIVE POWER
29,033,798 shares

(1) Includes 4,958,678 shares that may be acquired upon exercise of the RCGI Warrant.

(2) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

LFI holds the following shares of the Issuer's Common Stock.

(a) Number of shares beneficially owned: 339,066

Percentage of shares: 1.3%[(1)]

(b) SOLE VOTING POWER
0 shares
SHARED VOTING POWER
339,066
SOLE DISPOSITIVE POWER
0
SHARED DISPOSITIVE POWER
339,066

(1) Based on 25,701,833 outstanding shares of the common stock of Issuer, as disclosed by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008.

As described above in Item 2, each of Longview GP, Viking IA and Benz may be deemed to have shared voting and dispositive authority over Longview's and LFI's shares, an aggregate total of 29,372,864 shares, or 95.8% of the outstanding shares of the Issuer (based on 25,701,833 outstanding shares of Common Stock reported by the Issuer in its Current Report on Form 8-K filed with the Securities and Exchange Commission on February 14, 2008 and including the 4,958,678 Warrant Shares)

(c) The Reporting Persons effected the transactions with respect to the Common Stock as set forth in the following table:

Reporting Person	Date	Activity	Price/share	How effected
The Longview Fund, L.P.	2/14/2008	21,846,558	(2)	(2)
The Longview Fund, L.P.	2/14/2008	4,958,678(1)	(2)	(2)

(1) Represents the Warrant Shares that may be acquired upon exercise of the RCGI Warrant.

(2) Securities were acquired from issuer in exchange for third party securities, as described above in Item 3.

(d) Not applicable.

(e) Not applicable.

Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

On January 17, 2008, Longview acquired the Short-Term Note from the Issuer. The principal amount owing under the Short-Term Note is $50,000 and interest accrues thereon at the rate of 15% per annum. All principal and interest owing under the Short-Term Note is due and payable on April 16, 2008. The Short-Term Note is subject to certain events of standard default that may trigger the acceleration of the Issuer's payment obligations thereunder.

On February 14, 2008, Longview and the Issuer entered into the February Amendment, as described above in Item 4.

Pursuant to the Exchange Agreement and in connection with the Exchange Closing, Longview acquired the Initial RCGI Note. The principal amount owing under the Initial RCGI Note is $2,000,000 and interest accrues thereon at the per annum interest rate equal to the sum of (a) the 3-Month LIBOR Rate in effect on the Issuance Date and (b) eight and one quarter of one percent (8.25%) (i.e., 825 basis points). Such rate adjusts on the first business day of each calendar quarter based on the 3-Month LIBOR Rate in effect on such date. The Initial RCGI Note subjects the Issuer to certain covenants regarding the Company's and its subsidiairies' total proved developed non-producing reserves, total proved developed producing reserves and total proved undeveloped reserves. The failure to satisfy any of these covenants triggers a mandatory prepayment of a portion of indebtedness owing under the Initial RCGI Note. The Initial RCGI Note is also subject to certain events of default that may trigger the acceleration of the Issuer's payment obligations thereunder, including the breach of the Issuer's or any of its Subsidiaries' of certain covenants under the Exchange Agreement and the other Transaction Documents (as defined therein), the material incorrectness of a representation or warranty of the Issuer or one of its subsidiaries when made, the Issuer's failure to make required filings with the SEC, and a change of control of the Issuer.

Pursuant to the Exchange Agreement and in connection with the Exchange Closing, Longview acquired the RCGI Warrant. The RCGI Warrant entitles Longivew to purchase 4,958,678 Warrant Shares at any time until and including February 14, 2013 at a price of $0.30210709 per share (subject to typical anti-dilution adjustments in the number of Warrant Shares and the exercise price therefor as a result of stock splits, stock dividends, issuances of additional Common Stock at a price below the then-current exercise price of the Warrant and other transactions). The holder of the RCGI Warrant is entitled to acquire a pro rata portion of any options, convertible securities or certain other rights issued, granted or sold pro rata to holders of the Issuer's Common Stock, based on such holder's pro rata share of such Common Stock if the RCGI Warrant was exercised immediately before the record date for such issuance, grant or sale. The Warrant Shares are subject to the Registration Rights Agreement, as described in Item 4, that the Issuer and Longview executed in connection with the Exchange Closing.

In order to secure the debt owing from the Issuer to Longview, pursuant to the Pledge Agreements dated as of February 14, 2008, (i) the Issuer pledged to Longview all of its interest in the common stock of Sonterra, its wholly-owned subsidiary, and executed an irrevocably proxy in favor of Longview with respect to such common stock, and (ii) Sonterra pledged to Longview all of its interest in the common stock of Sonterra Operating, Inc., a Delaware corporation ("**Sonterra Operating**"), Sonterra's wholly-owned subsidiary, and executed an irrevocably proxy in favor of Longview with respect to such common stock. The Issuer and Sonterra Operating executed joinders to the existing Security Agreement, dated as of July 9, 2007 (as amended by the First Amendment to Security Agreement, dated as of August 3, 2007) between Longview and Sonterra, granting Longview a security interest in their respective assets. Sonterra and Sonterra Operating also executed a joint Guaranty guaranteeing the Issuer's obligations to Longview. In addition, Sonterra executed into an Amendment dated as of February 14, 2008, with respect to the mortgage it had previously granted to Longview in certain oil and gas interests.

The descriptions of the above agreements are qualified in each case, in their entirety, by reference to the complete texts of such agreements, which are attached hereto as Exhibits 99.21 through 99.34.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

The following documents are filed as appendices and exhibits:

Exhibit	Description
99.21	February 2008 Amendment Agreement, dated as of February 14, 2008, by and between the Issuer and The Longview Fund, L.P.
99.22	Certificate of Amendment to Certificate of Incorporation (filed as Exhibit 3.1 to the Issuer's Current Report on Form 8-K dated February 14, 2008 and incorporated herein by reference).
99.23	Promissory Note, issued by the Issuer to Longview Fund, L.P., dated January 17, 2008.
99.24	Senior Secured Note, issued by the Issuer to Longview Fund, L.P., dated February 14, 2008.
99.25	Warrant, issued by the Issuer to Longview Fund, L.P., dated February 14, 2008.
99.26	Registration Rights Agreement between the Issuer and Longview, dated as of February 14, 2008.

99.27	Guaranty from Sonterra Oil & Gas, Inc. and Sonterra Operating, Inc. to Collateral Agent, dated as of February 14, 2008.
99.28	Joinder to Security Agreement, by the Issuer, dated as of February 14, 2008.
99.29	Joinder to Security Agreement, by Sonterra Operating, Inc., dated as of February 14, 2008.
99.30	First and Second Amendments to Mortgage, Deed of Trust, Assignment of Production, Security Agreement, Fixture Filing and Financing Statement from Sonterra Oil & Gas, Inc., to Walter H. Walne, III, as Trustee for the benefit of Viking Asset Management, LLC, dated August 29, 2007, and February 14, 2008, respectively.
99.31	Pledge Agreement between the Issuer and the Collateral Agent, with respect to shares of Sonterra Oil & Gas, Inc., dated as of February 14, 2008.
99.32	Pledge Agreement between the Sonterra Oil & Gas, Inc. and the Collateral Agent, with respect to shares of Sonterra Operating, Inc., dated as of February 14, 2008.
99.33	Irrevocable Proxy from the Issuer to Longview, with respect to shares of Sonterra Oil & Gas, Inc., dated as of February 14, 2008.
99.34	Irrevocable Proxy from Sonterra Oil & Gas, Inc. to Longview, with respect to shares of Sonterra Operating, Inc., dated as of February 14, 2008.

Signature

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated this 20th day of February, 2008

THE LONGVIEW FUND, L.P.

By: Viking Asset Management, LLC
its Investment Adviser

By: S. Michael Rudolph
S. Michael Rudolph, CFO of Viking Asset Management, LLC

LONGVIEW FUND INTERNATIONAL, LTD.

By: Viking Asset Management, LLC
its Sub-Investment Manager

By: S. Michael Rudolph
S. Michael Rudolph, CFO of Viking Asset Management, LLC

VIKING ASSET MANAGEMENT, LLC

By: S. Michael Rudolph
S. Michael Rudolph, CFO of Viking Asset Management, LLC

VIKING ASSET MANAGEMENT, LTD.

By: Anthony L.M. Inder-Rieden
Anthony L. M. Inder-Rieden, Director and authorized signatory

/s/ Peter Benz
Peter Benz

Exhibit 99.21

FEBRUARY 2008 AMENDMENT AGREEMENT

THIS FEBRUARY 2008 AMENDMENT AGREEMENT (this "**Amendment**") is made as of February 14, 2008, by and between SONTERRA RESOURCES, INC., a Delaware corporation (f/k/a River Capital Group, Inc., Ballistic Ventures, Inc., a whOOdoo.com, Inc., Greystone Credit Inc. and Permastoprust International, Inc.), with principal offices located at 7 Reid Street, Suite 312, Hamilton Bermuda, HM11 prior to the Exchange Closing (as defined in the Exchange Agreement) and to be located at 300 East Sonterra Boulevard, San Antonio, Texas, 78258 as of and after the Exchange Closing ("**RCGI**"), and THE LONGVIEW FUND, L.P., a California limited partnership with its principal offices located at 600 Montgomery Street, 44th Floor, San Francisco, CA 94111 and other offices in Connecticut and New York ("**Longview**"). Capitalized terms not otherwise defined herein shall have the meanings given to them in the Exchange Agreement (as defined below).

WHEREAS:

A. RCGI and Longview entered into that certain Securities Exchange and Additional Purchase Agreement, dated as of August 3, 2007 (as amended, the "**Exchange Agreement**").

B. Contemporaneously with the execution and delivery of the Exchange Agreement, Longview purchased the Sonterra Equity Note from Sonterra Oil & Gas, Inc., a Delaware Corporation (f/k/a Sonterra Resources, Inc.) ("**Sonterra**").

C. At the Flash Acquisition Closing, Longview purchased the Sonterra Non-Equity Note from Sonterra.

D. The Exchange Agreement provides that, at the Exchange Closing (which is to occur on the date hereof) among other things Longview will exchange with RCGI (i) the Sonterra Equity Note and the New Sonterra Common Shares for the New RCGI Common Shares, and (ii) the Sonterra Non-Equity Note for the Initial RCGI Note in an initial principal amount equal to the outstanding principal amount of the Sonterra Non-Equity Note.

E. The Exchange Agreement further provides that, at the Exchange Closing, RCGI shall pay to Longview the Exchange Settlement Amount, which equals the sum of (I) Longview's legal, due diligence and other expenses incurred in connection with the Exchange Closing and all other expenses relating to negotiating and preparing the Transaction Documents and consummating the transactions contemplated thereby, plus (II) all interest under the Sonterra Equity Note and under the Sonterra Non-Equity Note that was accrued and unpaid immediately prior to the Exchange Closing.

F. In light of the accrued and unpaid interest owing under the Sonterra Equity Note and under the Sonterra Non-Equity Note, RCGI and Longview hereby deem it advisable and in the best interests of the undersigned to amend the Exchange Agreement and the terms of the Initial RCGI Note as provided herein.

NOW, THEREFORE, in consideration of the agreements, provisions and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned agrees as follows:

1. Amendment of the Initial RCGI Note To Include Interest Since January 3.

a. Each of RCGI and Longview acknowledges and agrees that the Interest (as defined in the Sonterra Non-Equity Note) that is accrued and unpaid immediately prior to the date hereof (i.e., Interest accrued from and including January 3, 2008 through and including February 14, 2008) is $30,466.62.

b. RCGI and Longview agree that the Initial RCGI Note shall be in the form of the Initial RCGI Note attached as Exhibit A to the Exchange Agreement, except that Sections 2(n) and 2(o) of the Initial RCGI Note shall state in their entirety as follows (i.e., Sections 2(n) and 2(o) of the form of Initial RCGI Note attached as Exhibit A to the Employment Agreement are hereby amended and restated to read in their entirety as follows):

(o) "**Interest Amount**" means as of any date, with respect to any Principal, all accrued and unpaid Interest (including any Interest at the Default Rate) on such Principal through and including such date; provided, however, that, "Interest Amount" shall mean, as of any date from and including the Issuance Date until the entire Additional Interest Amount has been paid in full pursuant to this Note, with respect to any Principal, the sum of (i) all accrued and unpaid Interest (including any Interest at the Default Rate) on such Principal through and including such date plus (ii) any portion of the Additional Interest Amount that has not been paid to the Holder pursuant to this Note; and for purposes of this definition **"Additional Interest Amount**" means $30,466.62.

(p) "**Interest Payment Date**" means the first Business Day of each calendar quarter, beginning with the calendar quarter that commences on April 1, 2008, through and including the last calendar quarter that commences prior to the Maturity Date.

2. Amendment of the Exchange Agreement - Exchange of Accrued Interest on Sonterra Equity Note.

a. Each of RCGI and Longview acknowledges and agrees that (i) as of February 13, 2008, the principal owing under the Sonterra Equity Note is $5,990,010, and (ii) the Interest (as defined in the Sonterra Equity Note) that is accrued and unpaid immediately prior to the date hereof (i.e., Interest accrued from and including January 3, 2008 through and including February 14, 2008) is $91,247.68.

b. RCGI and Longview agree to amend, and hereby amend and restate in its entirety Section 1(a)(i) of the Exchange Agreement, effective immediately prior to the Exchange Closing, as follows:

> Subject to the satisfaction (or waiver) of the conditions set forth in Sections 6(a) and 7(a) below, on the Exchange Closing Date, (A) RCGI shall issue to Buyer, and Buyer agrees to acquire from RCGI, the New RCGI Common Shares in exchange for Buyer's assignment to RCGI of the Sonterra Equity Note (including all principal thereof and accrued and unpaid interest thereon) and the New Sonterra Common Shares (i.e., so that after such transactions, RCGI holds all of the New Sonterra Common Shares and the Sonterra Equity Note and Buyer holds the New RCGI Common Shares), (B) RCGI shall issue to Buyer, and Buyer agrees to acquire from RCGI, the RCGI Warrant in exchange for Buyer's assignment to RCGI of the Sonterra Warrant (i.e., so that after such transactions, RCGI holds the Sonterra Warrant and Buyer holds the RCGI Warrant), (C) RCGI shall issue to Buyer, and Buyer agrees to acquire from RCGI, the Initial RCGI Note in exchange for Buyer's assignment to RCGI of the Sonterra Non-Equity Note (i.e., so that after such exchange RCGI holds the Sonterra Non-Equity Note and Buyer holds the Initial RCGI Note), and (D) RCGI shall pay to Buyer an amount (the "**Exchange Settlement Amount**") equal to all fees and other amounts to be paid to Buyer as set forth in Section 4(i). The completion of the exchanges provided for in this Section 1(a) shall effect the cancellation of the Sonterra Equity Note (including the termination of any obligations with respect to payment of any accrued and unpaid interest thereon), the Sonterra Warrants and the Sonterra Non-Equity Note (including the termination of any obligations with respect to payment of any accrued and unpaid interest thereon), and RCGI shall stamp "CANCELLED" on each of the foregoing and return each to Sonterra.

c. As amended hereby, the Exchange Agreement remains in full force and effect.

3. Obligations to Directors and Others. Amounts owing as of the Exchange Closing Date (as defined in the Exchange Agreement) to directors and former directors of RCGI or their affiliated entities, for services provided by them prior to the Exchange Closing, shall be paid to them by RCGI following the receipt by RCGI of the proceeds of any equity or debt financing consummated by RCGI, its affiliates or subsidiaries, after the Exchange Closing, and shall be paid within 2 business days of such receipt. In no event shall such payments be made later than 60 days following the Exchange Closing Date.

4. Avoidance of Doubt. The undersigned hereby agree, for the avoidance of doubt, that (a) this Amendment shall be a Transaction Document, (b) any references to the Exchange Agreement in any of the Transaction Documents shall mean the Exchange Agreement, as, and to the extent, amended by this Amendment, and (c) any references to the Initial RCGI Note in any of the Transaction Documents shall mean the Initial RCGI Note, in a form reflecting the terms of this Amendment.

5. Reservation of Rights. RCGI acknowledges and agrees that the execution and delivery of this Amendment by Longview (a) shall not waive any breach, default, or event of default by them, respectively, that may be continuing under any of the Transaction Documents or any other documents, (b) shall not waive any of Longview's rights or remedies arising from any such breach, default or event of default or otherwise available under any Transaction Document or at law, and Longview expressly reserves all such rights and remedies, and (c) shall not constitute a course of conduct or dealing among any of the undersigned.

6. Successors and Assigns. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The successors and assigns of such entities shall include their respective receivers, trustees or debtors-in-possession.

7. Further Assurances. RCGI and Longview each hereby agrees from time to time, as and when requested by Longview, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements, including secretary's certificates, stock powers and irrevocable transfer agent instructions, and to take or cause to be taken such further or other action, as Longview may reasonably deem necessary or desirable in order to carry out the intent and purposes of this Amendment, the Exchange Agreement (as amended hereby) and any other Transaction Documents.

8. Rules of Construction. All words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter, and the use of the word "including" in this Amendment shall be by way of example rather than limitation.

9. Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Amendment shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof by registered or certified mail, return receipt requested, or by deposit with a nationally recognized overnight delivery service, to such party at the address for such notices to it under this Amendment and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AMENDMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

10. Counterparts. This Amendment may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party. In the event that any signature to this Amendment or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Amendment or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract, and each party hereto forever waives any such defense.

11. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

12. No Strict Construction. The language used in this Amendment will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party.

13. Merger. This Amendment, the Exchange Agreement (as amended hereby) and the other Transaction Documents represent the final agreement of each of the parties hereto with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or prior or subsequent oral agreements, among any of the parties hereto. This Amendment may not be amended, supplemented or otherwise modified except in a writing executed by each of the undersigned.

14. Exchange Closing Contingency. Notwithstanding anything to the contrary herein, if the Exchange Closing and the all of the transactions contemplated by the Exchange Agreement to occur in connection therewith do not occur on February 14, 2008, then this Amendment, and any and all sections hereof, shall be deemed ineffective and void ab initio and the actions, transactions and amendments to other documents pursuant hereto shall be deemed never to have occurred.

[Remainder of page intentionally left blank; Signature page follows]

IN WITNESS WHEREOF, this Amendment has been duly executed and delivered by each of the undersigned as of the date first above written.

SONTERRA RESOURCES, INC., a Delaware corporation

By: /s/ Howard Taylor
Name: Howard Taylor
Title: Chief Executive Officer

THE LONGVIEW FUND, L.P., a California limited partnership

By: Viking Asset Management, LLC
Its: Investment Adviser

By: /s/ S. Michael Rudolph
Name: S. Michael Rudolph
Title: Chief Financial Officer

[Signature Page to the February 2008 Amendment Agreement]

Exhibit 99.23

PROMISSORY NOTE

AMOUNT $50,000.00

DATED January 17, 2008
New York, New York

FOR VALUE RECEIVED, RIVER CAPITAL GROUP, INC., a Delaware corporation (together with its successors and permitted assigns, **"Borrower"**) promises to pay to the order of The Longview Fund, L.P. (together with his successors and permitted assigns, **"Holder"**), in lawful money of the United States of America, on or prior to April 16, 2008 (the **"Maturity Date"**), the principal sum of **FIFTY THOUSAND DOLLARS AND N0/100 CENTS ($50,000.00)**. In addition to the foregoing payment of principal, interest on the outstanding principal balance hereof shall accrue at the interest rate of fifteen percent (15%) per annum (based upon a 365 day year), which interest shall be payable on the Maturity Date. If any payment date hereunder falls on a date which is not a business day in New York, New York, such payment date shall moved to the immediately succeeding business day. The proceeds of the loan evidenced by this Note shall be disbursed to Borrower in accordance with the written instructions of Borrower.

Borrower may prepay the principal and interest outstanding under this Note, at any time, in whole or in part, in each case without penalty or premium of any kind. Any partial prepayment shall be applied first against the then outstanding accrued interest and then against the outstanding principal amount.

Borrower hereby agrees to pay all of Holder's reasonable costs and expenses (including legal fees and expenses) incurred by Holder in connection with the preparation and negotiation of this Note and all other documents executed and delivered by Borrower in connection with or related to this Note or the indebtedness incurred hereunder.

Presentment and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. Borrower hereby represents, warrants and covenants that this is, and is intended to be, a business purpose loan for all purposes under New York law.

The following events shall constitute an **"Event of Default"** hereunder: (i) the failure of Borrower to pay any principal or interest when due hereunder, (ii) the failure of any representation and warranty of Borrower hereunder to be true and correct in any material respect, (iii) the breach by the Borrower of any of its covenants or agreements contained herein and such failure continues for five (5) business days after notice thereof by Holder, (iv) Borrower shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing, or (v) an involuntary case or other proceeding shall be commenced against Borrower seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 30 days; or an order for relief shall be entered against Borrower under the federal bankruptcy laws as now or hereafter in effect.

Upon the occurrence and during the continuance of an Event of Default, Holder may, by notice to the Borrower declare this Note and all other obligations related hereto to be due and payable without presentment, demand or protest of any kind, all of which are hereby waived by Borrower, and Borrower shall pay the same; provided that in the case of any of the Events of Default specified in clauses (iv) and (v) above, without any notice to Borrower or any other act by Holder, this Note and all other such obligations hereunder shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Borrower, and Borrower shall pay the same. In addition to all of Borrower's obligations hereunder, Borrower shall be liable for all of Holder's reasonable costs and expenses incurred in connection with the enforcement of this Note and any other document executed and delivered by Borrower in connection with this Note or the indebtedness incurred by Borrower hereunder. Upon the occurrence and during the continuance of any Event of Default, Holder may, upon written notice to Borrower (i) increase the interest rate to eighteen percent (18%) per annum, which increase shall begin to accrue on the 2nd business day after such notice is delivered to Borrower and shall continue until such Event(s) of Default is/are cured by Borrower or waived by Holder, and (ii) exercise all other remedies available to Holder hereunder, at law or in equity.

In addition to the foregoing, Borrower hereby agrees to indemnify, pay and hold harmless Holder and its affiliates, officers, directors, employees, partners, investment advisors and agents (collectively called the **"Indemnitees"**) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the fees and disbursements of counsel for such Indemnitee) in connection with any investigative, response, remedial, administrative or judicial matter or proceeding that may be imposed on, incurred by or asserted against such Indemnitee as a result of or in connection with the transactions contemplated hereby, including, without limitation, proposed and actual extensions of credit under this Note and the use or intended use of the proceeds hereof, provided however, the foregoing indemnification shall not cover any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses or disbursements arising from the gross negligence or willful misconduct of Holder.

BORROWER MAY NOT ASSIGN ITS OBLIGATIONS UNDER THIS NOTE AT ANY TIME. HOLDER MAY ASSIGN THIS NOTE AT ANY TIME WITHOUT THE CONSENT OF BORROWER.

This Note shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Note shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other country or jurisdiction) that would cause the application of the laws of any jurisdiction or country other than the State of New York. Borrower hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Borrower hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof by registered or certified U.S. mail, return receipt requested, or by a nationally recognized overnight delivery service, to Borrower at the address for such notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.

Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Note must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) business day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to Borrower:

River Capital Group, Inc.
Suite 312, 7 Reid Street
Hamilton Bermuda, HM11
Attention: Howard Taylor
Facsimile: 441-296-1214

If to Holder:

The Longview Fund, L.P.
c/o Viking Asset Management, LLC
600 Montgomery Street, 44th Floor
San Francisco, CA 94111
Attention: Michael Rudolph
Facsimile: 415-981-5301

With a copy to:

c/o Viking Asset Management, LLC
10 Glenville Street, 3rd Floor
Greenwich, Connecticut 06831
Attention: Robert J. Brantman
Facsimile: 646-840-4958

And with a copy to:

Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, Illinois 60661-3693
Attention: Mark D. Wood, Esq.
Facsimile: 312-902-1061

or, at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by a nationally recognized overnight delivery service shall be rebuttable evidence of personal service, receipt by facsimile or deposit with a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

In the event that any signature to this Note or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of Borrower (or the party on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. Notwithstanding the foregoing, Borrower shall be required to deliver an originally executed Note to the Holder. At the request of Holder, Borrower shall promptly re-execute an original form of this Note or any amendment hereto and deliver the same to Holder. Borrower shall not raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Note or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract and Borrower forever waives any such defense.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has executed this Note as of the date first written above:

Borrower:

RIVER CAPITAL GROUP, INC.

By: /s/ Howard Taylor

Name: Howard Taylor

Title: Chief Executive Officer

Exhibit 99.24

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS OR (B) AN OPINION OF COUNSEL, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR APPLICABLE STATE SECURITIES LAWS OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES. ANY TRANSFEREE OF THIS NOTE SHOULD CAREFULLY REVIEW THE TERMS OF THIS NOTE, INCLUDING SECTION 3(d) HEREOF. THE PRINCIPAL AMOUNT REPRESENTED BY THIS NOTE MAY BE LESS THAN THE AMOUNTS SET FORTH ON THE FACE HEREOF PURSUANT TO SECTION 3(d) HEREOF.

SENIOR SECURED NOTE

February 14, 2008
Note No.: SSN-001 **$2,000,000**

FOR VALUE RECEIVED, SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.)**, a Delaware corporation (the "**Company**"), hereby promises to pay to the order of The Longview Fund, L.P. or its permitted assigns (the "**Holder**") the principal amount of Two Million Dollars ($2,000,000) when due, whether upon maturity, acceleration, redemption or otherwise, and to pay interest ("**Interest**") on the unpaid principal balance hereof on each Interest Payment Date (as defined in Section 2) and upon maturity, or earlier upon acceleration or prepayment pursuant to the terms hereof, at the Applicable Interest Rate (as defined in Section 2). Interest on this Note payable on each Interest Payment Date and upon maturity, or earlier upon acceleration or prepayment pursuant to the terms hereof, shall accrue from the Issuance Date (as defined in Section 2) and shall be computed on the basis of a 365-day year and actual days elapsed.**

Payments of Principal and Interest. All payments under this Note shall be made in lawful money of the United States of America by wire transfer of immediately available funds to such account as the Holder may from time to time designate by written notice in accordance with the provisions of this Note. Interest on the Principal shall be paid quarterly in arrears on each Interest Payment Date (as defined in Section 2). The Company has no right, but under certain circumstances has an obligation, to make payments of Principal of this Note prior to the Maturity Date (as defined in Section 2), except as set forth in Section 3 hereof. Whenever any amount expressed to be due by the terms of this Note is due on any day that is not a Business Day (as defined in Section 2), the same shall instead be due on the next succeeding day that is a Business Day. This Note and all Other Notes (as defined in Section 2) issued by the Company pursuant to the Securities Exchange Agreement (as defined in Section 2) on the Exchange Closing Date and any Additional Closing Dates, and all notes issued in exchange or substitution therefor or replacement or addition thereof are collectively referred to in this Note as the "Notes**."**

Certain Defined Terms. Each capitalized term used in this Note, and not otherwise defined, shall have the meaning ascribed thereto in the Securities Exchange and Additional Note Purchase Agreement, dated as of August 3, 2007, pursuant to which this Note was originally issued (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "Securities Exchange Agreement**"). For purposes of this Note, the following terms shall have the following meanings:**

"**3-Month LIBOR Rate**" means the London Interbank Offered Rate of LIBOR with respect to a three-month period for deposits of United States Dollars as reported by Bloomberg Financial Markets (or any successor thereto, "**Bloomberg**") at approximately 10:00 a.m. (New York time) through its "LIBOR Rates" function (accessed by typing "LR" [GO] on a Bloomberg terminal, and looking at the row entitled "3 MONTH" and under the column entitled "DOLLAR LIBOR") (or such other page as may replace that page on that service, or such other service as may be selected jointly by the Company and the holders of the Notes). If such rate appears on the Bloomberg LIBOR Rates page on any date of determination of the 3-Month LIBOR Rate (a "**LIBOR Determination Date**"), the 3-Month LIBOR Rate for such date of determination will be such rate. If on any LIBOR Determination Date such rate does not appear on the Bloomberg LIBOR Rates page, the Company and the holders of Notes representing at least two-thirds (2/3) of the aggregate principal amount of the Notes then outstanding will jointly request each of four major reference banks in the London interbank market, as selected jointly by the Company and such holders to provide the Company with its offered quotation for United States dollar deposits for the upcoming three-month period, to prime banks in the London interbank market at approximately 4:00 p.m., London time on any such LIBOR Determination Date and in a principal amount that is representative for a single transaction in United States Dollars in such market at such time. If at least two reference banks provide the Company with offered quotations, 3-Month LIBOR Rate on such LIBOR Determination Date will be the arithmetic mean of all such quotations. If on such LIBOR Determination Date fewer than two of the reference banks provide the Company with offered quotations, 3-Month LIBOR Rate on such LIBOR Determination Date will be the arithmetic mean of the offered per annum rates that three major banks in New York City selected jointly by the Company and the holders of Notes representing at least two-thirds (2/3) of the aggregate principal amount of the Notes then outstanding quote at approximately 11:00 A.M. in New York City on such LIBOR Determination Date for three-month United States dollar loans to leading European banks, in a principal amount that is representative for a single transaction in United States dollars in such market at such time. If these New York City quotes are not available, then the 3-Month LIBOR Rate determined on such LIBOR Determination Date will continue to be 3-Month LIBOR Rate as then currently in effect on such LIBOR Determination Date.

"**Applicable Interest Rate**" means the Interest Rate, or, for so long as an Event of Default shall have occurred and be continuing, the Default Rate.

"**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in the city of New York are authorized or required by law to remain closed.

"**Cash and Cash Equivalents**" means (I) cash, (II) certificates of deposit or time deposits, having in each case a tenor of not more than six (6) months, issued by any United States commercial bank or any branch or agency of a non-United States bank licensed to conduct business in the United States having combined capital and surplus of not less than $250,000,000, and (III) money market funds, provided that substantially all of the assets of such funds consist of securities of the type described in clauses (I) or (II) immediately above, all as determined in accordance with GAAP applied on a consistent basis.

"Change of Control**" means (i) the consolidation, merger or other business combination of the Company with or into another Person (other than (A) a consolidation, merger or other business combination in which holders of the Company's voting power immediately prior to the transaction continue after the transaction to hold, directly or indirectly, a majority of the combined voting power of the surviving entity or entities entitled to vote generally for the election of a majority of the members of the board of directors (or their equivalent if other than a corporation) of such entity or entities, or (B) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Company), (ii) the sale or transfer of all or substantially all of the Company's assets (including, for the avoidance of doubt, the sale of all or substantially all of the assets of the Included Subsidiaries in the aggregate); or (iii) the consummation of a purchase, tender or exchange offer made to and accepted by the holders of more than the 50% of the outstanding RCGI Common Shares, provided that such shares include more than 50% of the outstanding RCGI Common Shares held by Persons other than the Holder and its Related Persons.**

"**Collateral Agent**" shall have the meaning ascribed to such term in the Security Agreement.

"**Default Rate**" means the per annum interest rate equal to the sum of (i) the Interest Rate plus (ii) two percent (2.0%) (i.e., 200 basis points).

"**Dollars**" or "**$**" means United States Dollars.

"**Excluded Taxes**" means, with respect to the Holder, or any other recipient of payment to be made by or on account of any obligations of the Company or any of the Subsidiaries under the Notes, the Securities Exchange Agreement or under any other Transaction Document, income or franchise taxes imposed on (or measured by) such recipient's net income by the United States of America or such other jurisdiction under the laws of which such recipient is organized or its principal offices are located.

"Financial Covenant Test Failure" means that, as of any date of determination, (A) the Revenue from the sale of hydrocarbons and the provision of related services for the three-month period ending on such date is less than the Required Revenue as of such date, (B) the Total Proved Reserves as of such date are less than the Required Total Proved Reserves as of such date, or (C) the PRV Ratio as of such date is less than the Required PRV Ratio as of such date.

"**Financial Covenant Test Failure Amount**" means that, in the event that there is a Financial Covenant Test Failure, as of the date of any determination, an amount equal to the sum of:

(i) the product of (A) the result of (I) one (1) minus (II) the quotient of the Revenue for the three-month period ended on such date, divided by the Required Revenue for the three-month period ended on such date, multiplied by (B) the aggregate outstanding principal amount of all Notes then outstanding; plus

(ii) the product of (A) the result of (I) one (1) minus (II) the quotient of the PRV Ratio as of such date, divided by the Required PRV Ratio as of such date, multiplied by (B) the aggregate outstanding principal amount of all Notes then outstanding; plus

(iii) the product of (A) the result of (I) one (1) minus (II) the quotient of the Total Proved Reserves as of such date, divided by the Required Total Proved Reserves as of such date, multiplied by (B) the aggregate outstanding principal amount of all Notes then outstanding.

"**Governmental Authority**" means the government of the United States of America or any other nation, or any political subdivision thereof, whether state, provincial or local, or any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administration powers or functions of or pertaining to government over the Company, or any of their respective properties, assets or undertakings.

"**Indemnified Taxes**" means Taxes other than Excluded Taxes.

"**Interest Amount**" means as of any date, with respect to any Principal, all accrued and unpaid Interest (including any Interest at the Default Rate) on such Principal through and including such date; provided, however, that"Interest Amount" shall mean, as of any date from and including the Issuance Date until the entire Additional Interest Amount has been paid in full pursuant to this Note, with respect to any Principal, the sum of (i) all accrued and unpaid Interest (including any Interest at the Default Rate) on such Principal through and including such date plus (ii) any portion of the Additional Interest Amount that has not been paid to the Holder pursuant to this Note; and for purposes of this definition **"Additional Interest Amount**" means $30,466.62.

"**Interest Payment Date**" means the first Business Day of each calendar quarter, beginning with the calendar quarter that commences on April 1, 2007, through and including the last calendar quarter that commences prior to the Maturity Date.

"**Interest Rate**" shall initially mean the per annum interest rate equal to the sum of (a) the 3-Month LIBOR Rate in effect on the Issuance Date and (b) eight and one quarter of one percent (8.25%) (i.e., 825 basis points). Thereafter, the "**Interest Rate**" shall adjust as of the first Business Day of each calendar quarter thereafter (or, if not a London Banking Day, then on the First London Banking Day thereafter) to equal the per annum interest rate equal to the sum of (x) the 3-Month LIBOR Rate in effect on such date and (y) eight and one quarter of one percent (8.25%) (i.e., 825 basis points).

"**Issuance Date**" means the original date of issuance of this Note pursuant to the Securities Exchange Agreement, regardless of any exchange or replacement hereof.

"**London Banking Day**" means a day on which dealings in U.S. dollar deposits are transacted in the London interbank market.

"**Maturity Date**" means August 31, 2010, unless such date is not a Business Day, in which case "Maturity Date" shall mean the first Business Day following August 31, 2010.

"**Original Principal Amount**" means Two Million Dollars ($2,000,000).

"**Other Notes**" means all of the senior secured notes, other than this Note, that have been issued by the Company pursuant to the Securities Exchange Agreement and all notes issued in exchange or substitution therefor, addition thereto or replacement thereof.

"**PDNP**" as of any date of determination, means the total proved developed non-producing reserves of the Company and the Included Subsidiaries, determined as of such date of determination in accordance with SEC guidelines based on an independent reserve report prepared in good faith by the Petroleum Engineer in accordance with the Petroleum Engineer Report Guidelines attached as Exhibit A hereto (an "**Independent Reserve Report**"); provided, however, that PDNP shall mean zero unless (A) it is based upon an Independent Reserve Report (or an update thereof prepared (but not certified) by the Petroleum Engineer, which update includes all material adjustments to the amounts set forth in the most recent Independent Reserve Report to reflect the Company's and the Included Subsidiaries' oil and gas drilling, exploration, development and production since the date of such Independent Reserve Report (a "**Reserve Update**")) that was current as of a date within 92 days of such date of determination, (B) the Company has publicly disclosed the PDNP in a Periodic Report as of a date within 274 days of such date of determination (based on an Independent Reserve Report that was current as of such date of determination), (C) the PDNP is based upon the same Independent Reserve Report or Reserve Update on which the PDP and PUD are based as of such date of determination, and (D) if the PDNP is not based upon an Independent Reserve Report (or a Reserve Update) that was current as of such date of determination, the Company reasonably believes, based upon its own analysis conducted in good faith and reflecting the Company's and the Included Subsidiaries' oil and gas drilling, exploration, development and production since the date of the Independent Reserve Report (or Reserve Update) on which the PDNP is based (the "**Recent Production**") (and has certified to the Holder in the applicable Officer's Certificate to the Holder that it so reasonably believes), that the PDP is not less than that disclosed in the Independent Reserve Report (or Reserve Update) on which the PDNP is based.

"**PDP**" means the total proved developed producing reserves of the Company and the Included Subsidiaries, determined in accordance with SEC guidelines based on an Independent Reserve Report; provided, however, that PDP shall mean zero unless (A) it is based upon an Independent Reserve Report (or a Reserve Update) that was current as of a date within 92 days of such date of determination, (B) the Company has publicly disclosed the PDNP in a Periodic Report as of a date within 274 days of such date of determination (based on an Independent Reserve Report that was current as of such date of determination), (C) the PDP is based upon the same Independent Reserve Report or Reserve Update on which the PDNP and PUD are based as of such date of determination, and (D) if the PDP is not based upon an Independent Reserve Report (or a Reserve Update) that was current as of such date of determination, the Company reasonably believes, based upon its own analysis conducted in good faith and reflecting the Recent Production (and has certified to the Holder in the applicable Officer's Certificate that it so reasonably believes), that the PDP is not less than that disclosed in the Independent Reserve Report (or Reserve Update) on which the PDP is based.

"**Periodic Report**" means a quarterly report on Form 10-Q or 10-QSB, or an annual report on Form 10-K or 10-KSB under the 1934 Act.

"**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization or a government or any department or agency thereof or any other legal entity.

"**Petroleum Engineer**" means a petroleum engineer selected and engaged by the Company and approved by the holders of Notes representing at least two-thirds (2/3) of the aggregate principal amount of the Notes then outstanding.

"**Prepayment Notice**" means a written notice from the Company to Holder indicating the Company's commitment to prepay a specified amount of Principal, together with the applicable Interest Amount and Prepayment Premium with respect thereto on the applicable Prepayment Date.

"**Prepayment Premium**" means, with respect to any prepayment of Principal, (1) at any time during the period beginning on the Exchange Closing Date and ending on and including the day immediately preceding the first anniversary of the Exchange Closing Date, 3% of the amount of Principal so prepaid or required to be prepaid, (2) at any time during the period beginning on and including the first anniversary of the Exchange Closing Date and ending on and including the day immediately preceding the second anniversary of the Exchange Closing Date, 2% of the amount of Principal so prepaid or required to be prepaid, (3) at any time during the period beginning on and including the second anniversary of the Exchange Closing Date and ending on and including the day immediately preceding the Maturity Date, 1% of the amount of Principal so prepaid or required to be prepaid; provided, that (i) in respect of any prepayment of Principal occurring on or after the Company's public announcement of a pending, proposed or intended Change of Control, but before the abandonment or termination thereof and public announcement of such abandonment or termination, or (ii) in respect of any prepayment of Principal pursuant to Section 4(b) occurring as a result of an Event of Default set forth in clause (i), (ii), (iii), (iv), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv) or (xv) of Section 4(a), "**Prepayment Premium**" shall mean an amount equal to twenty percent (20%) of the amount of Principal so prepaid or required to be prepaid.

"**Principal**" means the outstanding principal amount of this Note as of any date.

"**Pro Rata Financial Covenant Test Failure Amount**" means, as of the date of any determination, an amount equal to the sum of (i) the product of (A) a fraction, of which the numerator is the outstanding Principal as of such date, and of which the denominator is the aggregate outstanding principal amount of all Notes as of such date, multiplied by (B) the Financial Covenant Test Failure Amount, and (ii) the Interest Amount with respect to such Principal as of the date such amount is paid to the Holder.

"**PRV Ratio**" means, as of any date of determination, the quotient of:

(I) the result of:

(i) (A) the product of the aggregate actual PDP and PDNP mcfe of the Company's and the Included Subsidiaries' oil and gas properties and interests in which the holders of the Notes have a valid, first priority, perfected security interest as of such date of determination, multiplied by (B) the relevant hub spot price as of such date of determination multiplied by (C) 40%; plus

(ii) the product of (A) the actual PUD mcfe of such properties multiplied by (B) relevant hub spot price multiplied by (C) 15%; plus

(iii) the product of (A) the fair market value as of such date of determination of the pipeline systems and separation or tank farm facilities with respect to such properties that are owned by the Company or the Included Subsidiaries and in which the holders of the Notes have a valid, first priority, perfected security interest, as determined in good faith by a Qualified Appraiser, multiplied by (B) (1) on or prior to the one year anniversary of the Exchange Closing Date, 40% or (2) after the one year anniversary of the Exchange Closing Date but on or prior to the two year anniversary of the Exchange Closing Date, 20% and (3) thereafter, 0%; plus

(iv) the aggregate Cash and Cash Equivalents of the Company and the Included Subsidiaries, the aggregate hydrocarbon receivables of the Company and the Included Subsidiaries, and the market value of hedges of the Company and the Included Subsidiaries, each as of such date of determination, as set forth in the financial statements included in the Periodic Report for the fiscal quarter or year ended on such date of determination; minus

(vii) the aggregate hedge margin collateral of the Company and the Included Subsidiaries, the aggregate hydrocarbon payables of the Company and the Included Subsidiaries, and the aggregate accrued cash expenses of the Company and the Included Subsidiaries, each as of such date of determination, as set forth in the financial statements included in the Periodic Report for the fiscal quarter or year ended on such date of determination; minus

(x) the aggregate Indebtedness for borrowed money of the Company and the Subsidiaries due within one year (excluding the Notes), as of such date of determination, as set forth in the financial statements included in the Periodic Report for the fiscal quarter or year ended on such date of determination ;

divided by

(II) the aggregate outstanding principal amount of all Notes.

"**PUD**" means the total proved undeveloped reserves of the Company and the Included Subsidiaries, determined in accordance with SEC guidelines based on an Independent Reserve Report; provided, however, that PUD shall mean zero unless (A) it is based upon an Independent Reserve Report (or a Reserve Update) that was current as of a date within 92 days of such date of determination, (B) the Company has publicly disclosed the PDNP in a Periodic Report as of a date within 274 days of such date of determination (based on an Independent Reserve Report that was current as of such date of determination), (C) the PUD is based upon the same Independent Reserve Report or Reserve Update on which the PDNP and PDP are based as of such date of determination, and (D) if the PDNP is not based upon an Independent Reserve Report (or a Reserve Update) that was current as of such date of determination, the Company reasonably believes, based upon its own analysis conducted in good faith and reflecting the Recent Production (and has certified in the applicable Officer's Certificate that it so reasonably believes), that the PUD is not less than that disclosed in the Independent Reserve Report (or Reserve Update) on which the PUD is based.

"**Qualified Appraiser**" means a qualified, independent appraiser selected and engaged by the Company and approved by holders of Notes representing at least two-thirds (2/3) of the aggregate principal amount of the Notes then outstanding.

"**Required PRV Ratio**" means, with respect to any date set forth below, the ratio set forth below opposite such date:

Date	**Ratio**
Exchange Closing Date (if prior to September 30, 2007)	1.00
September 30, 2007	1.00
December 31, 2007	1.25
March 31, 2008	1.50
June 30, 2008 and the last day of each fiscal quarter thereafter	1.75

"**Required Revenue**" means, with respect to any fiscal quarter (i) ending on or after September 30, 2007 and prior to or on June 30, 2008, $300,000 and (ii) ending after June 30, 2008, $500,000.

"**Required Total Proved Reserves**" means, with respect to any date set forth below, the amount set forth below opposite such date:

Date	**Total Proved Reserves**
Exchange Closing Date (if prior to September 30, 2007)	2.0 BCFE
September 30, 2007	2.0 BCFE
December 31, 2007	4.0 BCFE
March 31, 2008	5.0 BCFE
June 30, 2008 and the last day of each fiscal quarter thereafter	7.0 BCFE

"**Revenue**" means the consolidated revenues of the Company and the Included Subsidiaries determined in accordance with GAAP, consistently applied; provided, however, that revenues of an Included Subsidiary that is not a wholly-owned Subsidiary shall only be recognized in the percentage amount of the Company or its wholly owned Subsidiaries' percentage ownership of the Capital Stock of such Included Subsidiary; provided, however, that in determining Revenue for any measurement period commencing prior to the Exchange Closing and ending after the Exchange Closing, Revenue shall include the revenues of Sonterra, determined in accordance with GAAP, consistently applied, from the first day of such measurement period through (but not including) the Exchange Closing Date.

"**SEC**" means the U.S. Securities and Exchange Commission, or any successor thereto.

"**Total Proved Reserves**" means, as of any date of determination, the sum of the PUD, the PDNP and the PDP of the oil and gas properties and interests of the Company and the Included Subsidiaries in which the holder of the Notes have a valid, first priority, perfected security interest; provided, however, there shall be excluded, in making such calculation, such portion, if any, of the PUD in excess of the portion that would result in the PUD constituting 40% of such sum.

"**U.S.**" means the United States of America.

Principal Payments.

Optional Principal Prepayments.

General. The Company shall have the right at any time not less than ten (10) Business Days following the receipt by Holder of a Prepayment Notice from the Company, to voluntarily prepay this Note (an "**Optional Prepayment**"), in whole or in part, for an amount in cash equal to the sum of (A) the Principal then being prepaid pursuant to this Section 3(a), (B) the Interest Amount with respect to such Principal as of the applicable prepayment date (the "**Optional Prepayment Date**") and (C) the Prepayment Premium with respect to such Principal as of the Optional Prepayment Date (collectively, the "**Required Prepayment Amount**"); provided, however, that the Company may not take such action unless it simultaneously takes the same action with respect to the same percentage of the outstanding principal amount of each outstanding Other Note.

Mechanics of Optional Prepayments. If the Company has delivered a Prepayment Notice in accordance with Section 3(a)(i), then the Company shall pay to the Holder the Required Prepayment Amount in cash by wire transfer of immediately available funds to an account designated by the Holder. The delivery of a Prepayment Notice by the Company to the Holder shall be irrevocable, and the failure of the Company to prepay the Required Prepayment Amount set forth therein on the applicable Optional Prepayment Date shall constitute an Event of Default hereunder.

Condition to Optional Prepayment. Notwithstanding anything to the contrary contained in this Section 3(a), the Company shall not be permitted to deliver any Prepayment Notice or to effect any Optional Prepayment at any time after any Event of Default, or any event that with the passage of time or the giving of notice (or both) and without being cured would constitute an Event of Default, has occurred and is continuing.

Mandatory Prepayment Upon Financial Covenant Test Failure.

On the second Business Day following each date that the Company files or is required to file a Periodic Report (which in each case shall disclose the Company's Revenue for the three-month period ending on the last day of the period covered by such Periodic Report, and the Total Proved Reserves, the PRV Ratio and any Financial Covenant Test Failure Amount as of the last day of the period covered by such Periodic Report, and details of the calculations and components thereof), the Company shall deliver to the Holder, by facsimile or overnight courier, a certificate executed by its principal financial officer (an "**Officer's Certificate**") (1) certifying as to the accuracy of the Periodic Report and of the Total Proved Reserves, the PRV Ratio and any Financial Covenant Test Failure Amount disclosed therein, (2) if there is no Financial Covenant Test Failure disclosed therein, certifying that there was no Financial Covenant Test Failure as of the last day of the period covered by such Periodic Report, (3) if there was a Financial Covenant Test Failure as of the last day of the period covered by such Periodic Report, certifying as to the Holder's Pro Rata Financial Covenant Test Failure Amount as of the last day of the period covered by such Periodic Report. Notwithstanding anything contained herein to the contrary, no Officer's Certificate delivered by the Company to any Holder shall contain any material non-public information regarding the Company or any of the Subsidiaries. Upon the occurrence of any Financial Covenant Test Failure, the Company shall immediately prepay, without demand or notice by the Holder, by wire transfer of immediately available funds to such account as the Holder may from time to time designate, an amount equal to the Holder's Pro Rata Financial Covenant Test Failure Amount.

In the case of a bona fide dispute as to the determination of the Revenue, PUD, PDP, PDNP, or PRV Ratio or the arithmetic calculation of any Financial Covenant Test Failure Amount, the Company shall pay any amount that is not disputed and shall transmit an explanation of the disputed determinations or arithmetic calculations to the Holder via facsimile within two (2) Business Days of the occurrence of the dispute. If the Holder and the Company are unable to agree upon the determination of the Revenue, PUD, PDP, PDNP, or PRV Ratio or the arithmetic calculation of any Financial Covenant Test Failure Amount within two (2) Business Days of such disputed determination or arithmetic calculation being transmitted to the Holder, then the Company shall promptly (and in any event within two (2) Business Days) submit via facsimile (A) the disputed determination of the PUD, PDP, PDNP, or PRV Ratio to a qualified, independent petroleum engineer and/or a qualified, independent appraiser (other than the Petroleum Engineer and the Qualified Appraiser), as applicable, agreed to by the Company and the holders of the Notes representing at least two-thirds (2/3) of the aggregate principal amounts of the Notes then outstanding as to which such determination is being made, or (B) the disputed arithmetic calculation of the Revenue or such Financial Covenant Test Failure Amount to an independent, outside certified public accountant, agreed to by the Company and the holder of the Notes representing at least two-thirds (2/3) of the aggregate principal amounts of the Notes then outstanding as to which such determination is being made. The Company shall direct the petroleum engineer, the appraiser, or the accountant, as the case may be, to perform the determinations or calculations, at the Company's expense, and notify the Company and the Holder of the results no later than two (2) Business Days from the time it receives the disputed determinations or calculations. Such petroleum engineer's, appraiser's, or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent manifest error.

Mandatory Payment by the Company on Maturity Date. If any Principal remains outstanding on the Maturity Date, then the Holder shall surrender this Note, duly endorsed for cancellation to the Company, and such Principal shall be redeemed by the Company as of the Maturity Date by payment on the Maturity Date to the Holder, by wire transfer of immediately available funds, of an amount equal to 100% of such Principal.

Surrender of Note. Notwithstanding anything to the contrary set forth in this Note, upon any prepayment of this Note in accordance with its terms, the Holder shall not be required to physically surrender this Note to the Company unless all of the Principal is being repaid and the related Interest Amount and all other obligations payable under this Note (including any applicable Prepayment Premium) have been paid in full. The Holder and the Company shall maintain records showing the Principal repaid and the date(s) of such repayments or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Note upon each such repayment. In the event of any dispute or discrepancy, such records of the Holder establishing the Principal to which the Holder is entitled shall be controlling and determinative in the absence of manifest error. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following partial repayment of any portion of this Note, the Principal of this Note may be less than the principal amount stated on the face hereof.

Defaults and Remedies.

Events of Default. An "**Event of Default**" shall mean any of: (i) default in payment of any Principal, Required Prepayment Amount, or Pro Rata Financial Covenant Test Failure Amount under this Note or any Other Note when and as due; (ii) default in payment of any Interest or other amount due on this Note or any Other Note that is not included in an amount described in the immediately preceding clause (i) that is not cured within three Business Days from the date such or other amount was due; (iii) failure by the Company for 10 days to comply with any other provision of this Note in all material respects; (iv) any default in payment of at least $100,000, individually or in the aggregate, under or acceleration prior to maturity of, or any event or circumstances arising such that, any person is entitled, or could, with the giving of notice and/or lapse of time and/or the fulfillment of any condition and/or the making of any determination, become entitled, to require repayment before its stated maturity of, or to take any step to enforce any security for, any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed of at least $100,000 by the Company or any of the Subsidiaries, or for money borrowed the repayment of at least $100,000 of which is guaranteed by the Company or any of the Subsidiaries, whether such indebtedness or guarantee now exists or shall be created hereafter; (v) the Company or any of the Subsidiaries pursuant to or within the meaning of any Bankruptcy Law (as defined below); (A) commences a voluntary case or applies for a receiving order; (B) consents to the entry of an order for relief against it in an involuntary case or consents to any involuntary application for a receiving order; (C) consents to the appointment of a Custodian of it or any of the Subsidiaries for all or substantially all of its property; (D) makes a general assignment for the benefit of its creditors; or (E) admits in writing that it is generally unable to pay its debts as the same become due; (vi) an involuntary case or other proceeding is commenced directly against the Company or any of the Subsidiaries seeking liquidation, reorganization or other relief with respect to it or its Indebtedness under any Bankruptcy Law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other Bankruptcy Law proceeding remains undismissed and unstayed for a period of 45 days, or an order of relief is entered against the Company as debtor under the Bankruptcy Laws as are now or hereafter in effect; (vii) the Company or any of the Subsidiaries breaches any covenant or other term or condition of the Security Documents; (viii) the Company or any of the Subsidiaries breaches any covenant or other term or condition of the Securities Exchange Agreement, the Warrants, this Note or any other Transaction Document, except, in the case of a breach of a covenant or other term that is curable, only if such breach continues for a period of at least 20 days; (ix) the Company breaches, or otherwise does not comply with, Section 4(u), or any of the provisions of Section 5, of the Securities Exchange Agreement; (x) one or more judgments, non-interlocutory orders or decrees shall be entered by a U.S. state or federal or a foreign court or administrative agency of competent jurisdiction against the Company or any of the Subsidiaries involving, in the aggregate, a liability (to the extent not covered by independent third-party insurance) as to any single or related series of transactions, incidents or conditions, of $100,000 or more, and the same shall remain unsatisfied, unvacated, unbonded or unstayed pending appeal for a period of 30 days after the entry thereof; (xi) there shall occur a Change of Control; (xii) any representation, warranty, certification or statement made by the Company or any of the Subsidiaries in the Securities Exchange Agreement, the Registration Rights Agreement, the Warrants, this Note, the Security Documents or any other Transaction Document or in any certificate, financial statement or other document delivered pursuant to any such Transaction Document is incorrect in any material respect when made (or deemed made); (xiii) any Lien created by any of the Security Documents shall at any time fail to constitute a valid and perfected Lien on all of the Collateral purported to be secured thereby, subject to no prior or equal Lien except Permitted Liens, or the Company or any of the Subsidiaries shall so assert, (xiv) the Company fails to file, or is determined to have failed to file, in a timely manner any Periodic Report or Current Report (other than a Current Report that is required solely pursuant to Item 1.01, 1.02, 2.03, 2.04, 2.05, 2.06, 4.02(a) or 5.02(e) of Form 8-K as in effect on the Issuance Date) required to be filed with the SEC pursuant to the 1934 Act (provided that any filing made within the

time period permitted by Rule 12b-25 under the 1934 Act and pursuant to a timely filed Form 12b-25 shall, for purposes of this clause (xiv), be deemed to be timely filed) or the Revenue, the Total Proved Reserves, the PRV Ratio or any Financial Covenant Test Failure Amount disclosed in any Periodic Report is not true and correct in all material respects; or (xv) the Company fails to deliver an Officer's Certificate pursuant to Section 3(b)(i) within five (5) days after the date such Officer's Certificate is required to be delivered pursuant to Section 3(b)(i), any Officer's Certificate delivered to the Holder does not contain any of the information required to be included therein pursuant to Section 3(b)(i), or any of the information contained in any Officer's Certificate delivered to the Holder is not true, correct and complete in all material respects. The term "**Bankruptcy Law**" means Title 11, U.S. Code, or any similar U.S. federal or state law or law of any applicable foreign government or political subdivision thereof for the relief of debtors. The term "**Custodian**" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law. Within two Business Days after the occurrence of any Event of Default, the Company shall deliver written notice thereof to the Holder.

Remedies. If an Event of Default occurs and is continuing, the Holder may declare all or any portion of this Note, including any or all amounts due hereunder, to be due and payable immediately, except that in the case of an Event of Default arising from events described in clauses (v) and (vi) of Section 4(a) above, all amounts due hereunder shall immediately become due and payable without further action or notice. In addition to any remedy the Holder may have under this Note, the Security Documents and the other Transaction Documents, such unpaid amounts shall bear interest at the Default Rate, and any payment of Principal prior to the scheduled maturity thereof as a result of acceleration under this Section 4(b) shall be accompanied by the Prepayment Premium in respect thereof. Nothing in this Section 4 shall limit any other rights the Holder may have under this Note, the Security Documents or the other Transaction Documents.

Vote to Change the Terms of the Notes. The written consent of the Company and the Holder shall be required in order to affect any amendment, waiver or other modification of this Note.

Lost or Stolen Notes. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of an indemnification undertaking by the Holder to the Company in customary form and reasonably satisfactory to the Company and, in the case of mutilation, upon surrender and cancellation of this Note, the Company shall execute and deliver a new Note of like tenor and date.

Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under the Securities Exchange Agreement, the Security Documents and the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy, and nothing herein shall limit the Holder's right to pursue actual damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.

Specific Shall Not Limit General; Construction. No specific provision contained in this Note shall limit or modify any more general provision contained herein. This Note shall be deemed to be jointly drafted by the Company and the Buyers pursuant to the Securities Exchange Agreement and shall not be construed against any person as the drafter hereof.

Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

Notice. Whenever notice is required to be given under this Note, unless otherwise provided herein, such notice shall be given in accordance with Section 9(f) of the Securities Exchange Agreement.

Transfer of this Note. The Holder may assign or transfer some or all of its rights hereunder, subject to compliance with applicable Securities Laws (if applicable) and the provisions of Section 2(f) of the Securities Exchange Agreement without the consent of the Company. Notwithstanding anything to the contrary contained in this Section 11, each such assignee or transferee, upon becoming a Holder hereunder, acknowledges that it is bound by the terms and conditions of Section 5.12 of the Security Agreement and agrees to, promptly upon the request of the Collateral Agent, deliver to Collateral Agent a written Joinder to the Security Agreement and other Security Documents.

Payment of Collection, Enforcement and Other Costs. Without limiting the provisions of the Securities Exchange Agreement, the Security Documents and the other Transaction Documents, if (a) this Note is placed in the hands of an attorney for collection or enforcement or is collected or enforced through any legal proceeding; or (b) an attorney is retained to represent the Holder in any bankruptcy, reorganization, receivership of the Company or other proceedings affecting Company creditors' rights and involving a claim under this Note, then the Company shall pay the costs incurred by the Holder for such collection, enforcement or action, including reasonable attorneys' fees and disbursements.

Cancellation. After all principal and other amounts at any time owed under this Note have been paid in full in accordance with the terms hereof, this Note shall automatically be deemed canceled, shall be surrendered to the Company for cancellation and shall not be reissued.

Note Exchangeable for Different Denominations. Subject to Section 3(d), in the event of an option, mandatory or scheduled payment of less than all of the Principal pursuant to the terms hereof, the Company shall, upon the request of Holder and tender of this Note promptly cause to be issued and delivered to the Holder, a new Note of like tenor representing the remaining Principal that has not been so repaid. This Note is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Note or Notes containing the same terms and conditions and representing in the aggregate the Principal, and each such new Note will represent such portion of such Principal as is designated by the Holder at the time of such surrender. The date the Company initially issued this Note shall be the "Issuance Date" hereof regardless of the number of times a new Note shall be issued.

Taxes.

Payments Free of Taxes. Any and all payments by or on account of any obligation of the Company or any of the Included Subsidiaries under this Note, the Securities Exchange Agreement, the Security Documents or any other Transaction Document shall be made without any set-off, counterclaim or deduction and free and clear of and without deduction for any Indemnified Taxes; provided that if the Company or any of the Included Subsidiaries shall be required to deduct any Indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 15(a)), the Holder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Company or the applicable Included Subsidiary shall make such deductions and (iii) the Company or the applicable Included Subsidiary as applicable shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

Indemnification by the Company. The Company shall indemnify the Holder, within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes paid by the Holder, on or with respect to any payment by or on account of any obligation of the Company or any of the Included Subsidiaries under the Notes, the Securities Exchange Agreement, the Security Documents or any of the other Transaction Documents (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 15) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate of the Holder as to the amount of such payment or liability under this Section 15 shall be delivered to the Company and shall be conclusive absent manifest error. In addition, the Company shall promptly pay the fees, costs and expenses incurred thereby in connection with the engagement of the Petroleum Engineer and the Qualified Appraiser with respect to the determination of the PUD, the PDNP, the PDP, the PRV Ratio, the Revenue and the Financial Covenant Test Failure Amount.

Waiver of Notice. To the extent permitted by law, the Company hereby waives demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note, the Security Documents, the Securities Exchange Agreement and the other Transaction Documents.

Governing Law. This Note shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Note shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other country or jurisdiction) that would cause the application of the laws of any jurisdiction or country other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof by registered or certified U.S. mail, return receipt requested, or by a nationally recognized overnight delivery service, to such party at the address for such notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.

Further Assurances. The Company shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the Holder may reasonably request in order to carry out the intent and accomplish the purposes of this Note and the consummation of the transactions contemplated hereby.

Payment Set Aside. To the extent that the Company makes a payment or payments to the Holder hereunder or the Holder enforces or exercises its rights hereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, by a trustee, receiver or any other person under any law (including any Bankruptcy Law, U.S. state or federal law, the laws of any foreign government or any political subdivision thereof, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

Interpretative Matters. Unless the context otherwise requires, (a) all references to Sections, Schedules or Exhibits are to Sections, Schedules or Exhibits contained in or attached to this Note, (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and (d) the use of the word "including" in this Note shall be by way of example rather than limitation.

Signatures. In the event that any signature to this Note or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. Notwithstanding the foregoing, the Company shall be required to deliver an originally executed Note to the Holder. At the request of any party each other party shall promptly re-execute an original form of this Note or any amendment hereto and deliver the same to the other party. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Note or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract and each party hereto forever waives any such defense.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Note to be executed on its behalf by the undersigned as of the year and date first above written.

SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.),
a Delaware corporation
By: /s/ Howard Taylor
Name: Howard Taylor
Title: Chief Executive Officer

EXHIBIT A

Petroleum Engineer Report Guidelines

[Attached]

Exhibit 99.25

THE SECURITIES REPRESENTED BY THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS OR (B) AN OPINION OF COUNSEL, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR APPLICABLE STATE SECURITIES LAWS OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES. ANY TRANSFEREE OF THIS WARRANT SHOULD CAREFULLY REVIEW THE TERMS OF THIS WARRANT, INCLUDING SECTION 2(f) HEREOF. THE SECURITIES REPRESENTED BY THIS WARRANT MAY BE LESS THAN THE NUMBER SET FORTH ON THE FACE HEREOF PURSUANT TO SECTION 2(f) HEREOF.

SONTERRA RESOURCES, INC.

Warrant To Purchase Common Stock

Warrant No.: CW-001 Number of Shares: 4,958,678

Date of Issuance: February 14, 2008

Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.), a Delaware corporation (the "**Company**"), hereby certifies that, for Ten United States Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, The Longview Fund, L.P., a California limited partnership, the registered holder hereof or its permitted assigns (the "**Holder**"), is entitled, subject to the terms set forth below, to purchase from the Company, at any time or times on or after the date hereof, but not after 11:59 P.M. New York Time on the Expiration Date (as defined herein) Four Million Nine Hundred Fifty-Eight Thousand Six Hundred Seventy-Eight (4,958,678) fully paid nonassessable shares of Common Stock (as defined in Section 1(b)) of the Company (the "**Warrant Shares**") at the Warrant Exercise Price (as defined in Section 1(b)).

Securities Exchange Agreement. This Warrant was issued pursuant to Section 1 of that certain Securities Exchange and Additional Note Purchase Agreement, dated as of August 3, 2007, between the Company and The Longview Fund, L.P., a California limited partnership (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented from time to time, the "**Securities Exchange Agreement**"), or issued in exchange or substitution therefor or replacement thereof. Each capitalized term used, and not otherwise defined, herein shall have the meaning ascribed thereto in the Securities Exchange Agreement.

Definitions. The following words and terms used in this Warrant shall have the following meanings:

"**Approved Stock Plan**" means any employee benefit plan that has been approved by the Board of Directors and stockholders of the Company after the date of the Securities Exchange Agreement, pursuant to which the Company's securities may be issued to consultants, employees, officers and directors for services provided to the Company.

"**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required by law to remain closed.

"**Common Stock**" means (A) the Company's Common Stock, par value $.001 per share, and (B) any capital stock into which such Common Stock shall have been changed or any capital stock resulting from a reclassification of such Common Stock.

"**Convertible Securities**" means any stock or securities (other than Options) directly or indirectly convertible into or exchangeable or exercisable for Common Stock.

"**dollar**" or "**$**" means U.S. dollars.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"**Exempted Issuances**" means (I) shares of Common Stock issued or deemed to be issued by the Company pursuant to, and in accordance with the terms of, an Approved Stock Plan, provided that the Company does not (A) amend any Option to reduce its exercise price, (B) cancel any Option and re-grant an Option with a lower exercise price than the original exercise price of the cancelled Option, or (C) take any other action (whether in the form of an amendment, cancellation or replacement grant) that has the effect of repricing an Option, except pursuant to a proportional adjustment to the exercise price and number of shares issuable thereunder in accordance with such Approved Stock Plan to reflect a stock split dividend or stock combination with respect to the Common Stock; (II) shares of Common Stock issued or deemed to be issued by the Company upon the exercise of any Initial Officer Option, provided that the terms of such Initial Officer Option or security are not amended or otherwise modified on or after the Exchange Closing Date, and provided that the exercise price thereof is not reduced, adjusted or otherwise modified and the number of shares of Common Stock issuable thereunder is not increased (whether by operation of, or in accordance with, the relevant governing documents or otherwise) on or after the Exchange Closing Date, except pursuant to a proportional adjustment to the exercise price and number of shares issuable thereunder in accordance with the 2007 Option Plan to reflect a stock split dividend or stock combination with respect to the Common Stock; (III) shares of Common Stock issued or deemed to be issued by the Company upon exercise of this Warrant or (IV) shares of Common Stock issued to C.K. Cooper & Company ("**CKC**") as compensation for services pursuant to the engagement letter dated July 25, 2007 between the Company and CKC.

"**Expiration Date**" means the date that is five (5) years after the Warrant Date (as defined in Section 12) or, if such date does not fall on a Business Day, then the next Business Day.

"**Options**" means any rights, warrants or options to subscribe for or purchase any Common Stock or Convertible Securities.

"**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization or a government or any department or agency thereof or any other legal entity.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Trading Day**" means any day on which the Common Stock is traded on the Principal Market; provided that "Trading Day" shall not include any day on which the Common Stock is scheduled to trade, or actually trades, on the Principal Market for less than 4.5 hours.

"**Warrant**" means this Warrant and all warrants issued in exchange, transfer or replacement thereof pursuant to the terms of this Warrant.

"**Warrant Exercise Price**" shall be equal to, with respect to any Warrant Share, $0.30210709, subject to adjustment as hereinafter provided.

"**Weighted Average Price**" means, for any security as of any date, the dollar volume-weighted average price for such security on its Principal Market during the period beginning at 9:30 a.m. New York City time (or such other time as its Principal Market publicly announces is the official open of trading) and ending at 4:00 p.m. New York City time (or such other time as its Principal Market publicly announces is the official close of trading) as reported by Bloomberg Financial Markets (or any successor thereto) ("**Bloomberg**") through its "Volume at Price" functions, or if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30 a.m. New York City time (or such other time as such over-the-counter market publicly announces is the official open of trading), and ending at 4:00 p.m. New York City time (or such other time as such over-the-counter market publicly announces is the official close of trading) as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the "pink sheets" by the National Quotation Bureau, Inc. If the Weighted Average Price cannot be calculated for such security on such date on any of the foregoing bases, the Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Section 2(a). All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during any period during which the Weighted Average Price is being determined.

Exercise of Warrant.

Subject to the terms and conditions hereof, this Warrant may be exercised by the Holder hereof then registered on the books of the Company, in whole or in part, at any time on any Business Day on or after the opening of business on the date hereof and prior to 11:59 P.M. New York City time on the Expiration Date by (i) delivery of a written notice, in the form of the exercise notice attached as Exhibit A hereto (the "**Exercise Notice**"), of the Holder's election to exercise this Warrant, which notice shall specify the number of Warrant Shares to be purchased and, if such exercise is conditioned upon consummation of any transaction ("**Exercise Trigger Transaction**"), such condition to exercise, (ii) (A) payment to the Company of an amount equal to the product of the Warrant Exercise Price multiplied by the number of Warrant Shares as to which this Warrant is being exercised (such product, the "**Aggregate Exercise Price**") by wire transfer of immediately available funds (or by check if the Company has not provided the Holder with wire transfer instructions for such payment), or (B) notifying the Company that this Warrant is being exercised pursuant to a Cashless Exercise (as defined in Section 2(e)), and (iii) if required by Section 2(f) unless the Holder has previously delivered this Warrant to the Company and it or a new replacement Warrant has not yet been delivered to the Holder, the surrender to a common carrier for overnight delivery to the Company as soon as practicable following such date, of this Warrant (or an indemnification undertaking, in customary form, with respect to this Warrant in the case of its loss, theft or destruction pursuant to Section 10); provided, that if such Warrant Shares are to be issued in any name other than that of the Holder, such issuance shall be deemed a transfer and the provisions of Section 7 shall be applicable. In the event of any exercise of the rights represented by this Warrant in compliance with this Section 2(a), on the second (2^{nd}) Business Day (the "**Warrant Share Delivery Date**") following the date of its receipt of the Exercise Notice, the Aggregate Exercise Price (or notice of Cashless Exercise) and if required by Section 2(f) (unless the Holder has previously delivered this Warrant to the Company and a new or replacement Warrant has not yet been delivered to the Holder), this Warrant (or an indemnification undertaking, in customary form, with respect to this Warrant in the case of its loss, theft or destruction pursuant to Section 10) (the "**Exercise Delivery Documents**") (or, if the exercise of this Warrant is conditioned upon the consummation of an Exercise Trigger Transaction, on the later of such second (2nd) Business Day and the date of consummation of such Exercise Trigger Transaction), (A) if the transfer agent for the Common Stock is participating in The Depository Trust Company ("**DTC**") Fast Automated Securities Transfer Program and the Holder is eligible to receive shares through DTC, the Company shall credit such aggregate number of shares of Common Stock to which the Holder shall be entitled to the Holder's or its designee's balance account with DTC through its Deposit Withdrawal Agent Commission system or (B) if not, the Company shall issue and deliver to the address specified in the Exercise Notice, a certificate, registered in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder shall be entitled. Upon the latest of (x) the date of delivery of the Exercise Notice, (y) the date of delivery of the Aggregate Exercise Price referred to in clause (ii)(A) above or notification to the Company of a Cashless Exercise referred to in Section 2(e), and (z) if the exercise of this Warrant is conditioned upon the consummation of an Exercise Trigger Transaction, the date of such consummation, the Holder shall be deemed for all purposes to have become the Holder of record of the Warrant Shares with respect to which this Warrant has been exercised (the date thereof being referred to as the "**Deemed Issuance Date**"), irrespective of the date of delivery of this Warrant as required by clause (iii) above or the certificates evidencing such Warrant Shares. In the case of a dispute as to the determination of the Warrant Exercise Price, the Weighted Average Price of a security or the arithmetic calculation of the number of Warrant Shares, the Company shall promptly issue to the Holder the number of shares of Common Stock that is not disputed and shall submit the disputed determinations or arithmetic calculations to the Holder via facsimile within two (2) Business Days after receipt of the Holder's Exercise Notice. If the Holder and the Company are unable to agree upon the determination of the Warrant Exercise Price, the Weighted Average Price or arithmetic calculation of the number of Warrant Shares within one (1) Business Day of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall immediately submit via facsimile (i) the disputed determination of the Warrant Exercise Price or the Weighted Average Price to an independent, reputable investment banking firm agreed to by the Company and the Holder or (ii) the disputed arithmetic calculation of the number of Warrant Shares to an independent, reputable certified public accounting firm agreed to by the Company and the Holder. The Company shall cause the investment banking firm or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than two (2) Business Days after the date it receives the disputed determinations or calculations. Such investment banking firm's or accountant's determination or calculation, as the case may be, shall be deemed conclusive absent manifest error.

If this Warrant is submitted for exercise, as may be required by Section 2(f), and unless the rights represented by this Warrant shall have expired or shall have been fully exercised, the Company shall, as soon as practicable and in no event later than three (3) Business Days after receipt of this Warrant (the "**Warrant Delivery Date**") and at its own expense, issue a new Warrant identical in all respects to this Warrant except it shall represent rights to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which such Warrant is exercised (together with, in the case of a Cashless Exercise, the number of Warrant Shares surrendered in lieu of payment of the Exercise Price).

No fractional shares of Common Stock are to be issued upon the exercise of this Warrant, but rather the number of shares of Common Stock issued upon exercise of this Warrant shall be rounded up or down to the nearest whole number (with 0.5 rounded up).

If the Company shall fail for any reason or for no reason (x) to issue and deliver to the Holder within two (2) Business Days of receipt of the Exercise Delivery Documents a certificate for the number of shares of Common Stock to which the Holder is entitled or to credit the Holder's balance account with DTC for such number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise of this Warrant or (y) to issue and deliver to the Holder on the Warrant Delivery Date a new Warrant for the number of shares of Common Stock to which such holder is entitled pursuant to Section 2(b) hereof, if any, then the Company shall, in addition to any other remedies under this Warrant or the Securities Exchange Agreement or otherwise available to such holder, including any indemnification under Section 8 of the Securities Exchange Agreement, pay as additional damages in cash to such holder on each day after such second (2nd) Business Day that such shares of Common Stock are not issued and delivered to the Holder, in the case of clause (x) above, or such third (3rd) Business Day that such Warrant is not delivered, in the case of clause (y) above, an amount equal to the sum of (i) 0.5% of the product of (A) the number of shares of Common Stock not issued to the Holder on or prior to the Warrant Share Delivery Date and (B) the Weighted Average Price of the Common Stock on the Warrant Share Delivery Date, in the case of the failure to deliver Common Stock, and (ii) if the Company has failed to deliver a Warrant to the Holder on or prior to the Warrant Delivery Date, 0.5% of the product of (x) the number of shares of Common Stock issuable upon exercise of the Warrant as of the Warrant Delivery Date, and (y) the Weighted Average Price of the Common Stock on the Warrant Delivery Date; provided that in no event shall cash damages accrue pursuant to this Section 2(d) during the period, if any, in which any Warrant Shares are the subject of a bona fide dispute that is subject to and being resolved pursuant to, and in compliance with the time periods and other provisions of, the dispute resolution provisions of Section 2(a). Alternatively, at the election of the Holder made in the Holder's sole discretion, the Company shall pay to the Holder, in lieu of the additional damages referred to in the preceding sentence (but in addition to all other available remedies that the Holder may pursue hereunder and under the Securities Exchange Agreement (including indemnification pursuant to Section 8 thereof)), 110% of the amount that (A) the Holder's total purchase price (including brokerage commissions, if any) for shares of Common Stock purchased to make delivery in satisfaction of a sale by such holder of the shares of Common Stock to which the Holder is entitled but has not received upon an exercise, exceeds (B) the net proceeds received by the Holder from the sale of the shares of Common Stock to which the Holder is entitled but has not received upon such exercise.

Notwithstanding anything contained herein to the contrary, at any time after the Warrant Date (as defined in Section 12) that all of the Warrant Shares issuable hereunder are not registered and available for resale pursuant to an effective registration statement under the Securities Act in accordance with the Registration Rights Agreement, for any reason whatsoever, including as a result of a Grace Period (as defined in the Registration Rights Agreement), or as a result of a limitation on the number of Warrant Shares that may be registered pursuant to Rule 415 under the Act, the Holder may, at its election exercised in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Aggregate Exercise Price, elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula (a "**Cashless Exercise**"):

$$\text{Net Number} = \frac{(A \times B) - (A \times C)}{B}$$

For purposes of the foregoing formula:

A= the total number of shares with respect to which this Warrant is then being exercised;

B= the Weighted Average Price per share of Common Stock on the Trading Day immediately preceding the date of the delivery of the Exercise Notice; and

C= the Warrant Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

Book-Entry. Notwithstanding anything to the contrary set forth herein, upon exercise of this Warrant in accordance with the terms hereof, the Holder shall not be required to physically surrender this Warrant to the Company unless it is being exercised for all of the Warrant Shares represented by the Warrant. The Holder and the Company shall maintain records showing the number of Warrant Shares exercised and issued and the dates of such exercises or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Warrant upon each such exercise. In the event of any dispute or discrepancy, such records of the Company establishing the number of Warrant Shares to which the Holder is entitled shall be controlling and determinative in the absence of error. Notwithstanding the foregoing, if this Warrant is exercised as aforesaid, the Holder may not transfer this Warrant unless the Holder first physically surrenders this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant of like tenor, registered as the Holder may request, representing in the aggregate the remaining number of Warrant Shares represented by this Warrant. The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following exercise of any portion of this Warrant, the number of Warrant Shares represented by this Warrant may be less than the number stated on the face hereof.

Covenants as to Common Stock. The Company hereby covenants and agrees as follows:

This Warrant is, and any Warrants issued in substitution for or replacement of this Warrant will upon issuance be, duly authorized and validly issued.

All Warrant Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance and receipt of payment therefor from the Holder (including pursuant to a Cashless Exercise, as applicable), be validly issued, fully paid and nonassessable and free from all taxes, liens and charges with respect to the issue thereof.

During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized and reserved at least 100% of the number of shares of Common Stock needed to provide for the exercise of the rights then represented by this Warrant.

The Company shall promptly secure the quotation or listing of the Warrant Shares on the Principal Market (subject to official notice of issuance upon exercise of this Warrant) and each other market or exchange on which the Common Stock is traded or listed and shall maintain, so long as any other shares of Common Stock shall be so traded or listed, such listing of all Warrant Shares from time to time issuable upon the exercise of this Warrant; and the Company shall so list on the Principal Market and each other market or exchange on which the Common Stock is traded or listed and shall maintain such listing of, any other shares of capital stock of the Company issuable upon the exercise of this Warrant if and so long as any shares of the same class shall be listed on the Principal Market and each other market or exchange on which such shares are traded or listed.

The Company will not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed by it hereunder, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all such action as may reasonably be requested by the Holder in order to protect the exercise privilege of the Holder against impairment, consistent with the tenor and purpose of this Warrant. Without limiting the generality of the foregoing, the Company (i) will not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant, and (ii) will take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant.

This Warrant will be binding upon any entity succeeding to the Company by merger, consolidation or acquisition of all or substantially all of the Company's assets.

Taxes. The Company shall pay any and all taxes that may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant.

Warrant Holder Not Deemed a Stockholder. Except as expressly provided herein, the Holder, as holder of this Warrant shall not be entitled to vote or be deemed the holder of stock of the Company for any purpose (other than to the extent that the Holder is deemed to be a beneficial holder of Warrant Shares under applicable securities laws), or otherwise have any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, or receive dividends or subscription rights, prior to the Deemed Issuance Date of the Warrant Shares that such holder is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on such holder to purchase any securities (except to the extent set forth in an Exercise Notice that has been delivered by the Holder to the Company) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding the foregoing, the Company will provide the Holder with copies of the same notices (without duplication if the Holder is also a stockholder of the Company) and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders.

Representations of Holder. The holder of this Warrant, by the acceptance hereof, represents that it is acquiring this Warrant, and upon exercise hereof (other than pursuant to a Cashless Exercise) will acquire the Warrant Shares, for its own account and not with a view towards, or for resale in connection with, the public sale or distribution of this Warrant or the Warrant Shares, except pursuant to sales registered, or exempted from registration, under the Securities Act; provided, however, that by making the representations herein, the Holder does not agree to hold this Warrant or any of the Warrant Shares for any minimum or other specific term and reserves the right to dispose of this Warrant and the Warrant Shares at any time in accordance with or pursuant to a registration statement or an exemption under the Securities Act. The holder of this Warrant further represents, by acceptance hereof, that, as of this date, such holder is an "accredited investor" as such term is defined in Rule 501(a)(3) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act. Each delivery of an Exercise Notice, other than in connection with a Cashless Exercise, shall constitute confirmation at such time by the Holder of the representations concerning the Warrant Shares set forth in the first two sentences of this Section 6, unless contemporaneously with the delivery of such Exercise Notice, the Holder notifies the Company in writing that it is not making such representations (a "Representation Notice**"). If the Holder delivers a Representation Notice in connection with an exercise, it shall be a condition to such Holder's exercise of this Warrant and the Company's obligations set forth in Section 2 in connection with such exercise, that the Company receive such other representations as the Company considers reasonably necessary to assure the Company that the issuance of its securities upon exercise of this Warrant shall not violate any United States or state securities laws.**

Ownership and Transfer.

The Company shall maintain at its principal executive offices (or such other office or agency of the Company as it may designate by notice to the Holder), a register for this Warrant, in which the Company shall record the name and address of the person in whose name this Warrant has been issued, as well as the name and address of each transferee. The Company may treat the person in whose name any Warrant is registered on the register as the owner and holder thereof for all purposes, notwithstanding any notice to the contrary, but in all events recognizing any transfers made in accordance with the terms of this Warrant.

This Warrant and the rights granted hereunder shall be assignable by the Holder hereof in accordance with the Securities Exchange Agreement.

The Company is obligated to register the Warrant Shares for resale under the Securities Act pursuant to the Registration Rights Agreement and the initial holder of this Warrant (and certain assignees thereof) is entitled to the registration rights in respect of the Warrant Shares as set forth in the Registration Rights Agreement.

Adjustment of Warrant Exercise Price and Number of Warrant Shares. The Warrant Exercise Price and the number of shares of Common Stock issuable upon exercise of this Warrant shall be adjusted from time to time as follows:

Adjustment of Warrant Exercise Price and Number of Shares upon Issuance of Common Stock. If and whenever on or after the Warrant Date (as defined in Section 12), the Company issues or sells, or is deemed to have issued or sold, any shares of Common Stock (including the issuance or sale of shares of Common Stock owned or held by or for the account of the Company, but excluding Exempted Issuances), for a consideration per share less than a price (the "**Applicable Price**") equal to the Warrant Exercise Price in effect immediately prior to such issuance or sale, then immediately after such issue or sale the Warrant Exercise Price then in effect shall be reduced to an amount equal to such consideration per share. Upon each such adjustment of the Warrant Exercise Price pursuant to the immediately preceding sentence, the number of shares of Common Stock acquirable upon exercise of this Warrant shall be adjusted to the number of shares determined by multiplying the Warrant Exercise Price in effect immediately prior to such adjustment by the number of shares of Common Stock acquirable upon exercise of this Warrant immediately prior to such adjustment and dividing the product thereof by the Warrant Exercise Price resulting from such adjustment.

Effect on Warrant Exercise Price of Certain Events. For all purposes of this Section 8, including for purposes of determining the adjusted Warrant Exercise Price under Section 8(a) above and for purposes of determining whether the Company has issued or sold, or shall be deemed to have issued or sold, any shares of Common Stock for a consideration per share less than a price equal to the Applicable Price), the following shall be applicable:

Issuance of Options. If the Company in any manner grants or sells any Options (other than pursuant to an Approved Stock Plan) and the lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Option or upon conversion, exchange or exercise of any Convertible Securities issuable upon exercise of any such Option is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the granting or sale of such Option for such price per share. For purposes of this Section 8(b)(i), the "lowest price per share for which one share of Common Stock is issuable upon exercise of any such Option or upon conversion, exchange or exercise of any Convertible Security issuable upon exercise of any such Option" shall be equal to the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one share of Common Stock upon the granting or sale of the Option, upon exercise of the Option and upon conversion, exchange or exercise of any Convertible Security issuable upon exercise of such Option. No further adjustment of the Warrant Exercise Price shall be made upon the actual issuance of such Common Stock or of such Convertible Securities upon the exercise of such Options or upon the actual issuance of such Common Stock upon conversion, exchange or exercise of such Convertible Securities.

Issuance of Convertible Securities. If the Company in any manner issues or sells any Convertible Securities and the lowest price per share for which one share of Common Stock is issuable upon the conversion, exchange or exercise thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the issuance or sale of such Convertible Securities for such price per share. For the purposes of this Section 8(b)(ii), the "lowest price per share for which one share of Common Stock is issuable upon such conversion, exchange or exercise" shall be equal to the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exchange or exercise of such Convertible Security. No further adjustment of the Warrant Exercise Price shall be made upon the actual issuance of such Common Stock upon conversion, exchange or exercise of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of the Warrant Exercise Price had been or are to be made pursuant to other provisions of this Section 8(b), no further adjustment of the Warrant Exercise Price shall be made by reason of such issue or sale.

Change in Option Price or Rate of Conversion. If the purchase, exchange or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exchange or exercise of any Convertible Securities, or the rate at which any Options or Convertible Securities are convertible into or exchangeable or exercisable for Common Stock changes at any time, the Warrant Exercise Price in effect at the time of such change shall be adjusted to the Warrant Exercise Price that would have been in effect at such time had such Options or Convertible Securities provided for such changed purchase, exchange or exercise price, additional consideration or changed conversion rate, as the case may be, at the time initially granted, issued or sold, and the number of shares of Common Stock acquirable hereunder shall be correspondingly readjusted. For purposes of this Section 8(b)(iii), if the terms of any Option or Convertible Security that was outstanding as of the date of issuance of this Warrant are changed in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such change. No adjustment shall be made if such adjustment would result in an increase of the Warrant Exercise Price then in effect.

Calculation of Consideration Received. In case any Options are issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction or series of related transactions, (A) the Options will be deemed to have been issued for a consideration equal to the greatest of (I) $0.01, (II) the specific aggregate consideration, if any, allocated to such Options, and (III) the Black-Scholes Value (as defined below) of such Options (the greatest of (I), (II) and (III), the "**Option Consideration**") and, for purposes of applying the provisions of this Section 8, the Option Consideration shall be allocated pro rata among all the shares of Common Stock issuable upon exercise of such Options to determine the consideration per each such share of Common Stock and (B) the other securities will be deemed to have been issued for an aggregate consideration equal to the aggregate consideration received by the Company for the Options and other securities (determined as provided below with respect to each share of Common Stock represented thereby), less the Option Consideration. If any Common Stock, Options or Convertible Securities are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor will be deemed to be the net amount received by the Company therefor. If any Common Stock, Options or Convertible Securities are issued or sold for a consideration other than cash, the amount of such consideration received by the Company will be the fair value of such consideration, except where such consideration consists of marketable securities, in which case the amount of consideration received by the Company will be the Weighted Average Price of such securities on the date of receipt of such securities. If any Common Stock, Options or Convertible Securities are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity, the amount of consideration therefor will be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such Common Stock, Options or Convertible Securities, as the case may be. The fair value of any consideration other than cash or securities will be determined jointly by the Company and the Holder. If such parties are unable to reach agreement within ten (10) days after the occurrence of an event requiring valuation (the "**Valuation Event**"), the fair value of such consideration will be determined within five (5) Business Days after the tenth (10th) day following the Valuation Event by an independent, reputable appraiser jointly selected by the Company and the Holder. The determination of such appraiser shall be final and binding upon all parties absent manifest error, and the fees and expenses of such appraiser shall be borne by the Company.

Record Date. If the Company takes a record of the Holders of Common Stock for the purpose of entitling them (1) to receive a dividend or other distribution payable in Common Stock, Options or in Convertible Securities or (2) to subscribe for or purchase Common Stock, Options or Convertible Securities, then such record date will be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

Black-Scholes Value. The "**Black-Scholes Value**" of any Options shall mean the sum of the amounts resulting from applying the *Black-Scholes* pricing model to each such Option, which calculation is made with the following inputs: (i) the "option striking price" being equal to the lowest exercise price possible under the terms of such Option on the date of the issuance of such Option (the "**Valuation Date**"), (ii) the "interest rate" being equal to the Federal Reserve US H.15 T Note Treasury Constant Maturity 1 Year rate on the Valuation Date (as reported by Bloomberg through its "ALLX H15T" function (accessed by typing "ALLX H15T" [GO] on a Bloomberg terminal, and inserting the date of the Valuation Date and then looking at the row entitled "Treas Const Mat 1 Year" under the column entitled "Previous Value")), or if such rate is not available then such other similar rate mutually agreed to by the Company and the Holder, (iii) the "time until option expiration" being the time from the Valuation Date until the expiration date of such Option, (iv) the "current stock price" being equal to the Weighted Average Price of the Common Stock on the Valuation Date, (v) the "volatility" being the 100-day historical volatility of the Common Stock as of the Valuation Date (as reported by the Bloomberg "HVT" screen), and (vi) the "dividend rate" being equal to zero. Within three (3) Business Days after the Valuation Date, each of the Company and the Holder shall deliver to the other a written calculation of its determination of the Black-Scholes Value of the Options. If the Holder and the Company are unable to agree upon the calculation of the Black-Scholes Value of the Options within five (5) Business Days of the Valuation Date, then the Company shall submit via facsimile the disputed calculation to an independent, reputable investment banking firm (jointly selected by the Company and the Holder) within seven (7) Business Days of the Valuation Date. The Company shall cause such investment banking firm to perform the calculations and notify the Company and the Holder of the results no later than ten (10) Business Days after the Valuation Date. Such investment banking firm's calculation of the Black-Scholes Value of the Options shall be deemed conclusive absent manifest error. The Company shall bear the fees and expenses of such investment banking firm for providing such calculation.

Adjustment of Warrant Exercise Price upon Subdivision or Combination of Common Stock. If the Company at any time after the date of issuance of this Warrant subdivides (by any stock split, stock dividend, recapitalization or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Warrant Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of shares of Common Stock obtainable upon exercise of this Warrant will be proportionately increased. If the Company at any time after the date of issuance of this Warrant combines (by combination, reverse stock split or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Warrant Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of shares of Common Stock obtainable upon exercise of this Warrant will be proportionately decreased. Any adjustment under this Section 8(d) shall become effective at the close of business on the date the subdivision or combination becomes effective or, if earlier, the record date with respect to the subdivision or combination.

Dividends; Distributions of Assets. If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of Common Stock, by way of return of capital or otherwise (including any dividend or other distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a "**Distribution**"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to receive such Distribution, and the Company shall make such Distribution to the Holder, exactly as if the Holder had exercised this Warrant in full (and, as a result, had held all of the shares of Common Stock that the Holder would have received upon such exercise) immediately prior to the record date for such Distribution, or if there is no record therefor, immediately prior to the effective date of such Distribution (but without the Holder's actually having to so exercise this Warrant).

Certain Events. If any event occurs of the type contemplated by the provisions of this Section 8 but not expressly provided for by such provisions (including the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Company's Board of Directors will make an appropriate adjustment in the Warrant Exercise Price and the number of shares of Common Stock obtainable upon exercise of this Warrant so as to protect the rights of the Holder; provided that no such adjustment will increase the Warrant Exercise Price or decrease the number of shares of Common Stock obtainable as otherwise determined pursuant to this Section 8.

Notices.

As soon as reasonably practicable, but in no event later than two (2) Business Days, upon any adjustment of the Warrant Exercise Price, the Company will give written notice thereof to the Holder, setting forth in reasonable detail, and certifying, the calculation of such adjustment; provided, however, that neither the timing of giving any such notice nor any failure by the Company to give such a notice shall effect any such adjustment or the effective date thereof.

The Company will give written notice to the Holder at least ten (10) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any pro rata subscription offer to holders of Common Stock or (C) for determining rights to vote with respect to any Organic Change (as defined below), dissolution or liquidation.

The Company will also give written notice to the Holder at least ten (10) days prior to the date on which any Organic Change, dissolution or liquidation will take place.

Purchase Rights; Reorganization, Reclassification, Consolidation, Merger or Sale.

In addition to any adjustments pursuant to Section 8 above, if at any time the Company grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of its capital stock (the "**Purchase Rights**"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights that such holder could have acquired if such holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Company's assets to another Person or other transaction that is effected in such a way that holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock is referred to herein as "**Organic Change**." Prior to the consummation of any (i) sale of all or substantially all of the Company's assets to an acquiring Person or (ii) other Organic Change following which the Company is not a surviving entity, the Company will secure from the Person purchasing such assets or the successor resulting from such Organic Change (in each case, the "**Acquiring Entity**") a written agreement (in form and substance satisfactory to the Holder) to deliver to the Holder, in exchange for this Warrant, a security of the Acquiring Entity evidenced by a written instrument substantially similar in form and substance to this Warrant and satisfactory to the Holder (including, an adjusted Warrant Exercise Price equal to the value for the Common Stock reflected by the terms of such consolidation, merger or sale, and exercisable for a corresponding number of shares of Common Stock acquirable and receivable upon exercise of this Warrant, if the value so reflected is less than the Warrant Exercise Price in effect immediately prior to such consolidation, merger or sale). Prior to the consummation of any other Organic Change, the Company shall make appropriate provision (in form and substance satisfactory to the Holder) to ensure that the Holder will thereafter have the right to acquire and receive in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the exercise of such this Warrant, such shares of stock, securities or assets that would have been issued or payable in such Organic Change with respect to or in exchange for the number of shares of Common Stock that would have been acquirable and receivable upon the exercise of this Warrant as of the date of such Organic Change.

Lost, Stolen, Mutilated or Destroyed Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company shall promptly, on receipt of an indemnification undertaking in customary form (or in the case of a mutilated Warrant, the Warrant), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed.

Notice. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Warrant must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:

Sonterra Resources, Inc.
300 East Sonterra Boulevard, Suite 1220
San Antonio, Texas
Facsimile: 210-545-3317
Attention: Michael J. Pawelek

With a copy to:

Thompson & Knight
333 Clay Street, Suite 3300
Houston, Texas 77002
Facsimile: 832-397-8110
Attention: Dallas Parker, Esq.

If to the initial Holder, to it at the address and facsimile number set forth in the Securities Exchange Agreement, with copies to the Holder's representatives as set forth in the Securities Exchange Agreement or, in the case of any other Holder or any other Person named above, at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice to the other party at least five (5) Business Days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by a nationally recognized overnight delivery service shall be rebuttable evidence of personal service, receipt by facsimile or deposit with a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

Date. The date of this Warrant is February 14, 2008 (the "Warrant Date**"). This Warrant, in all events, shall be wholly void and of no effect after 11:59 P.M., New York City time, on the Expiration Date, except that notwithstanding any other provisions hereof, the provisions of Section 7 shall continue in full force and effect after such date as to any Warrant Shares or other securities issued upon the exercise of this Warrant.**

Amendment and Waiver. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

Descriptive Headings; Governing Law. The descriptive headings of the several sections and paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

Rules of Construction. Unless the context otherwise requires, (a) all references to Articles, Sections, Schedules or Exhibits are to Articles, Sections, Schedules or Exhibits contained in or attached to this Warrant, (b) each accounting term not otherwise defined in this Warrant or the Securities Exchange Agreement has the meaning assigned to it in accordance with GAAP, (c) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and (d) the use of the word "including" in this Warrant shall be by way of example rather than limitation.

Signatures. In the event that any signature to this Warrant or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. Notwithstanding the foregoing, the Company shall be obligated to deliver to the Holder an originally executed Warrant. At the request of any party, each other party shall promptly re-execute an original form of this Warrant or any amendment hereto and deliver the same to the other party. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Warrant or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract, and each party hereto forever waives any such defense.

* * * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed as of February 14, 2008.

SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.)

By: /s/ Howard Taylor

Name: Howard Taylor

Title: Chief Executive Officer

EXHIBIT A TO WARRANT

EXERCISE NOTICE

TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS WARRANT

SONTERRA RESOURCES, INC.

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock ("**Warrant Shares**") of SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.), a Delaware corporation (the "**Company**"), evidenced by the attached Warrant (the "**Warrant**"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Warrant Exercise Price. The holder intends that payment of the Warrant Exercise Price shall be made as:

_____ a "**Cash Exercise**" with respect to _____ Warrant Shares; and/or

_____ a "**Cashless Exercise**" with respect to _____ Warrant Shares.

2. Payment of Warrant Exercise Price. In the event that the Holder has elected a Cash Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the Holder shall pay the Aggregate Exercise Price in the sum of $_____ to the Company in accordance with the terms of the Warrant.

3. Exercise Trigger Transaction. This exercise of the Warrant is conditioned upon the consummation of the following Exercise Trigger Transaction: _____[1] No such condition applies if left blank

4. Delivery of Warrant Shares. The Company shall deliver _____ Warrant Shares in accordance with the terms of the Warrant in the following name and to the following address:

Issue to:

Facsimile Number:

_____

DTC Participant Number and Name (if electronic book entry transfer): _____

Account Number (if electronic book entry transfer): _____

Date: _____ __, _____

Name of Registered Holder of this Warrant

_____

_____

[1] No such condition applies if left blank

By: _____
Name:
Title:

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs [TRANSFER AGENT] to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated _____, 200_ from the Company and acknowledged and agreed to by [TRANSFER AGENT].

SONTERRA RESOURCES, INC.

By: _____
Name: _____
Title: _____

EXHIBIT B TO WARRANT

FORM OF WARRANT POWER

FOR VALUE RECEIVED, the undersigned does hereby assign and transfer to _____, Federal Identification No. _____, a warrant to purchase _____ shares of the capital stock of Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.), a Delaware corporation, represented by warrant certificate no. _____, standing in the name of the undersigned on the books of said corporation. The undersigned does hereby irrevocably constitute and appoint _____, attorney to transfer the warrants of said corporation, with full power of substitution in the premises.

Dated: _____, 200_

_____

Name: _____

Title: _____

Exhibit 99.26

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), dated as of February 14, 2008, by and between Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.), a Delaware corporation, with headquarters currently located at Suite 312, 7 Reid Street, Hamilton Bermuda HM11, and to be located after the Exchange Closing Date at 300 East Sonterra Boulevard, Suite 1220, San Antonio, Texas 78258, Texas (the "**Company**"), and The Longview Fund, L.P., a California limited partnership ("**Buyer**").

WHEREAS:

A. In connection with the Securities Exchange and Additional Note Purchase Agreement, by and between the parties hereto and dated as of August 3, 2007 (as amended by the February 2008 Amendment Agreement, dated February 14, 2008 by and between the parties hereto, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "**Securities Exchange Agreement**"), the Company has agreed, upon the terms and subject to the conditions of the Securities Exchange Agreement, to issue at the Exchange Closing (as defined in the Securities Exchange Agreement) to the Buyer (i) senior secured notes of the Company, (ii) shares (the "**New Common Shares**") of the Company's common stock, $0.001 par value (the "**Common Stock**"), and (iii) a warrant to purchase shares of Common Stock (such warrant, together with any warrant issued in exchange or substitution therefor or replacement thereof, and as the same may be amended, restated or modified and in effect from time to time, the "**Warrant**"; and the shares of Common Stock issuable upon exercise of the Warrant being referred to herein as the "**Warrant Shares**");

B. Pursuant to the Securities Exchange Agreement, the Company has agreed to provide certain registration rights under the Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute (collectively, the "**1933 Act**"), and applicable state securities laws.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Buyer hereby agree as follows:

1. **DEFINITIONS.**

As used in this Agreement, the following terms shall have the following meanings:

a. "**1934 Act**" means, collectively, the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, or any similar successor statute.

b. **"Business Day"** means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York are authorized or required by law to remain closed.

c. **"Demand Registration Filing Deadline"** means the date that is thirty (30) days after delivery to the Company of a Demand Registration Request; provided, however, that in the case of a Demand Registration for an offering pursuant to Rule 415, the "Demand Registration Filing Deadline" shall mean the later of such date and the earliest date that the Company is permitted to file the Registration Statement by the SEC.

d. **"Effectiveness Deadline"** means the Initial Effectiveness Deadline, an Additional Warrant Share Registration Effectiveness Deadline or a Demand Registration Effectiveness Deadline, as applicable.

e. "**Filing Deadline**" means the Initial Filing Deadline, an Additional Warrant Share Registration Filing Deadline or a Demand Registration Filing Deadline, as applicable.

f. **"Initial Effectiveness Date"** means the date the Initial Registration Statement is declared effective by the SEC.

g. **"Initial Effectiveness Deadline"** means the later of (i) the date that is 120 days after the Exchange Closing Date and (ii) the Initial Filing Date.

h. **"Initial Filing Date"** means the date on which the Initial Registration Statement is filed with the SEC.

i. **"Initial Filing Deadline"** means the date (such date, the "**Target Date**") that is thirty (30) days after the Exchange Closing Date; provided, however that, if on the Exchange Closing Date the Warrant Registrable Securities are not then eligible for sale on a delayed or continuous basis by the Investors pursuant to Rule 415, the Initial filing Deadline shall be the later of (i) the Target Date and (ii) the earlier of (A) the date that is the tenth (10^{th}) Business Day following the date on which the Investors shall have delivered to the Company the information required by Item 508 of Regulation S-K under the Securities Act with respect to a plan of distribution for the Warrant Registrable Shares other than in accordance with Rule 415 and (B) the first date on which the Warrant Registrable Securities are eligible for sale on a delayed or continuous basis by the Investors pursuant to Rule 415.

j. **"Initial Registration Statement"** means a registration statement or registration statements of the Company filed under the 1933 Act pursuant to Section 2(a) hereof covering the Warrant Registrable Securities.

k. "**Investor**" means the Buyer, any transferee or assignee thereof to whom the Buyer assigns its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 11 and any transferee or assignee thereof to whom a transferee or assignee assigns its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 11.

l. **"Permitted Registration Amount"** means the lesser of (i) the number of Registrable Securities requested to be included in a Registration Statement for a Demand Registration or a Piggyback Registration, as applicable and (ii) the maximum number of Registrable Securities the Company is permitted to include in such Registration Statement by the SEC.

m. **"Person"** means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

n. "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a governmental or any department or agency thereof, or any other legal entity.

o. **"Register," "registered,"** and **"registration"** refer to a registration effected by preparing and filing one or more Registration Statements in compliance with the 1933 Act and the declaration or ordering of effectiveness of such Registration Statement(s) by the SEC.

p. **"Registrable Securities"** means (i) the New Common Shares, (ii) the Warrant Shares issued or issuable upon exercise of the Warrant, (iii) any other shares of Common Stock held by Buyer on the date of this Agreement, or issuable upon exercise, exchange or conversion of any other securities held by Buyer on the date of this Agreement, (such shares, the "**Other Common Shares**"), and (iv) any shares of capital stock of the Company issued or issuable with respect to the Warrant, the New Common Shares, the Warrant Shares or the Other Common Shares as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise provided, however, that any such Registrable Securities shall cease to be Registrable Securities when (A) a Registration Statement with respect to the sale of such securities becomes effective under the 1933 Act and such securities are disposed of in accordance with such Registration Statement, (B) such securities are sold in accordance with Rule 144 (as defined in Section 10) or (c) such securities become transferable without any restrictions in accordance with Rule 144(k) (or any successor provision).

q. **"Registration Statement"** means a registration statement or registration statements of the Company filed under the 1933 Act covering Registrable Securities.

r. **"Rule 415"** means Rule 415 under the 1933 Act or any successor rule providing for offering securities on a continuous or delayed basis.

s. "**Trading Day**" means any day on which the Common Stock is traded on the Principal Market; provided that "Trading Day" shall not include any day on which the Common Stock is scheduled to trade, or actually trades, on the Principal Market for less than 4.5 hours.

t. "**Warrant Registrable Securities**" means (i) the Warrant Shares issued or issuable upon exercise of the Warrant and (ii) any shares of capital stock issued or issuable with respect to the Warrant or the Warrant Shares as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise; provided, however, that any such Warrant Registrable Securities shall cease to be Warrant Registrable Securities when (A) a Registration Statement with respect to the sale of such securities becomes effective under the 1933 Act and such securities are disposed of in accordance with such Registration Statement, (B) such securities are sold in accordance with Rule 144, or (C) such securities become transferable without any restrictions in accordance with Rule 144(k) (or any successor provision).

u. "**Principal Market**" means, with respect to the Common Stock, the OTC Bulletin Board; provided however, that, if after the date of this Agreement the Common Stock is listed on a national securities exchange, "Principal Market" shall mean such national securities exchange; and, with respect to any other security, "Principal Market" means the principal securities exchange or trading market for such security.

v. "**Weighted Average Price**" means, for any security as of any date, the dollar volume-weighted average price for such security on its Principal Market during the period beginning at 9:30 a.m. New York City time (or such other time as its Principal Market publicly announces is the official open of trading) and ending at 4:00 p.m. New York City time (or such other time as its Principal Market publicly announces is the official close of trading) as reported by Bloomberg Financial Markets (or any successor thereto) ("**Bloomberg**") through its "Volume at Price" functions, or if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30 a.m. New York City time (or such other time as such over-the-counter market publicly announces is the official open of trading), and ending at 4:00 p.m. New York City time (or such other time as such over-the-counter market publicly announces is the official close of trading) as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in the "pink sheets" by the National Quotation Bureau, Inc. If the Weighted Average Price cannot be calculated for such security on such date on any of the foregoing bases, the Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Company and the applicable Investor. If the Company and the applicable Investor are unable to agree upon the fair market value of the Common Stock, then such dispute shall be resolved by the Chicago office of an investment banking firm mutually agreeable to the applicable Investor and the Company. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during any period during which the Weighted Average Price is being determined.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Securities Exchange Agreement.

2. **INITIAL MANDATORY REGISTRATION.**

a. Initial Mandatory Registration. The Company shall prepare, and, as soon as practicable but in no event later than the Initial Filing Deadline, file with the SEC a Registration Statement on Form S-3 (subject to Section 2(c)), covering the resale of all of the Warrant Registrable Securities. The Initial Registration Statement prepared pursuant hereto shall register for resale at least that number of Warrant Registrable Securities equal to 100% of the number of Warrant Shares issued or issuable upon exercise of the Warrant as of the second Trading Day immediately preceding the date the Initial Registration Statement is initially filed with the SEC. The Company shall use its reasonable best efforts to have the Initial Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Initial Effectiveness Deadline.

b. Allocation of Registrable Securities. The initial number of Warrant Registrable Securities included in the Initial Registration Statement (or any other Registration Statement filed pursuant to this Section 2) and each increase in the number of Warrant Registrable Securities included therein shall be allocated pro rata among the Investors based on the number of such Warrant Registrable Securities held by each Investor at the time such Registration Statement or increase thereof is declared effective by the SEC. In the event that an Investor sells or otherwise transfers any of such Investor's Warrant Registrable Securities, each transferee shall be allocated a pro rata portion of the then remaining number of Warrant Registrable Securities included in such Registration Statement for such transferor. Any shares of Common Stock included in the Initial Registration Statement (or any other Registration Statement filed pursuant to this Section 2) and which remain allocated to any Person which ceases to hold any Warrant Registrable Securities covered by such Registration Statement shall be allocated to the remaining Investors, pro rata based on the number of Warrant Registrable Securities then held by such Investors which are covered by such Registration Statement. For purposes hereof, the number of Warrant Registrable Securities held by an Investor includes all Warrant Registrable Securities issuable upon the exercise of Warrants held by such Investor, without regard to any limitations on exercise of the Warrant. In no event shall the Company include any securities other than Registrable Securities in any Registration Statement filed pursuant to this Section 2.

c. Ineligibility for Form S-3. In the event that Form S-3 is not available for the registration of the resale of the Warrant Registrable Securities hereunder, the Company shall (i) register the Warrant Registrable Securities on Form S-1, Form SB-2 or another appropriate form reasonably acceptable to the holders of two-thirds of the Warrant Registrable Securities, and (ii) undertake to register the Warrant Registrable Securities on Form S-3 (by post-effective amendment to the existing Registration Statement or otherwise) as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Warrant Registrable Securities has been declared effective by the SEC.

d. Sufficient Number of Shares Registered. In the event the number of shares available under the Initial Registration Statement filed pursuant to Section 2(a) (or any Registration Statement previously filed pursuant to this Section 2(d)) is insufficient to cover all of the Warrant Registrable Securities required to be covered by the Initial Registration Statement (or Registration Statement previously filed pursuant this Section 2(d)) or an Investor's allocated portion of such Warrant Registrable Securities pursuant to Section 2(b), the Company shall, as soon as practicable, but in any event not later than fifteen (15) days after the necessity therefor arises (an "**Additional Warrant Share Registration Filing Deadline**"), amend the Initial Registration Statement, or file a new Registration Statement (on the short form available therefor, if applicable), or both, so as to register for resale at least that number of Warrant Registrable Securities equal to 100% of the number of Warrant Shares issued or issuable upon exercise of the Warrant as of the Trading Day immediately preceding the date of the filing of such amendment or new Registration Statement with the SEC. The Company shall use its reasonable best efforts to cause such amendment and/or new Registration Statement to become effective as soon as practicable following the filing thereof, but in any event not later than seventy-five (75) days following the filing thereof (an "**Additional Warrant Share Registration Effectiveness Deadline**"). For purposes of the foregoing provision, the number of shares available under the Initial Registration Statement (or any Registration Statement previously filed pursuant to this Section 2(d)) shall be deemed "insufficient to cover all of the Warrant Registrable Securities" if, as of any date of determination, the number of Warrant Registrable Securities equal to the number of Warrant Shares issued or issuable as of such time upon exercise of the Warrant is greater than the number of Warrant Registrable Securities available for resale under such Registration Statement.

e. Effect of Failure to File and Obtain and Maintain Effectiveness of Mandatory Registration Statement. If (A) a Registration Statement covering Registrable Securities and required to be filed by the Company pursuant to Section 2(a) or Section 2(d) is not (I) filed with the SEC on or before the applicable Filing Deadline or (II) declared effective by the SEC on or before the applicable Effectiveness Deadline, or (B) on any day after Registration Statement has been declared effective by the SEC sales of all the Registrable Securities required to be included on such Registration Statement cannot be made (other than during an Allowable Grace Period (as defined in Section 5(t)) pursuant to such Registration Statement (including because of a failure to keep the such Registration Statement effective, to disclose such information as is necessary for sales to be made pursuant to such Registration Statement or to register sufficient shares of Common Stock, as determined in accordance with Section 2(e), or because a post-effective amendment to such Registration Statement has been filed but not been declared effective), then, as partial relief for the damages to any holder of Warrants by reason of any such delay in or reduction of its ability to sell the underlying shares of Common Stock (which remedy shall not be exclusive of any other remedies available at law or in equity), the Company shall pay to such holder an amount in cash equal to the product of (X) the total Aggregate Exercise Price (as defined in the Warrant) of the Warrant held by such holder, multiplied by (Y) the sum of (I) 0.02, if such Registration Statement is not filed by the applicable Filing Deadline, plus (II) 0.02, if such Registration Statement is not declared effective by the applicable Effectiveness Deadline, plus (III) the product of (I) 0.000667 multiplied by (II) the sum (without duplication) of (1) the number of days after the applicable Filing Deadline that such Registration Statement is not filed with the SEC, plus (2) the number of days after the applicable Effectiveness Deadline that such Registration Statement is not declared effective by the SEC, plus (3) the number of days after such Registration Statement has been declared effective by the SEC that such Registration Statement is not available (other than during an Allowable Grace Period) for the sale of at least all the Warrant Registrable Securities required to be included on such Warrant Registration Statement pursuant to this Section 2. The payments to which a holder shall be entitled pursuant to this Section 2(e) are referred to herein as "**Warrant Share Registration Delay Payments**." Warrant Registration Delay Payments shall be paid on the earlier of (I) the last day of the calendar month during which such Warrant Registration Delay Payments are incurred and (II) the third Business Day after the event or failure giving rise to the Registration Delay Payments is cured. In the event the Company fails to make Warrant Share Registration Delay Payments in a timely manner, such Warrant Registration Delay Payments shall bear interest, in each case until paid in full, at a rate equal to the lesser of (A) 2.0% per month (equivalent to a per annum rate of 24.0%), prorated for partial months, and (B) the highest lawful interest rate.

3. **DEMAND REGISTRATION.**

a. Long-Form Registrations. Subject to the terms of this Agreement, any Investors holding at least two-thirds (2/3) of the then-outstanding Registrable Securities may at any time following the Exchange Closing Date request (any such request, a "**Long-Form Demand Registration Request**") registration of all or part of their Registrable Securities on Form S-1, Form SB-2 or any similar long-form registration. Within five (5) days after receipt of any request pursuant to this Section 3(a), the Company will give written notice of such request to all other Investors holding Registrable Securities. The Company shall prepare, and, as soon as practicable but in no event later than the Demand Registration Filing Deadline, file with the SEC a Registration Statement, and the Company shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion within twenty (20) days after delivery of the Company's notice; provided, however, that if at the time of issuance of such Long-Form Demand Registration Request, the Registrable Securities are eligible to be sold on a delayed or continuous basis pursuant to Rule 415 and the Demand Registration is for an offering pursuant to Rule 415, the Company shall not be required to include in such Demand Registration Statement a number of Registrable Securities in excess of the Permitted Registration Amount. All registrations requested pursuant to this Section 3(a) are referred to herein as "**Long-Form Demand Registrations**." The Company is obligated to effect no more than three (3) Long-Form Demand Registrations in any 12-month period.

b. Short-Form Registrations. In addition to the Long-Form Registrations provided pursuant to Section 3(a), at any time following the Exchange Closing Date that the Company is eligible to use a Form S-3 (or any similar short-form registration) for resale of Common Stock by selling security holders, Investors holding at least two-thirds (2/3) of the then-outstanding Registrable Securities may request (any such request, or any Long-Form Demand Registration Request, a "**Demand Registration Request")** registrations of all or part of their Registrable Securities on Form S-3 or any similar short-form registration ("**Short-Form Demand Registrations**" and, together with the Long-Form Demand Registrations, "**Demand Registrations**"). Within five (5) Business Days after receipt of any request pursuant to this Section 3(b), the Company will give written notice of such request to all other Investors holding Registrable Securities. The Company shall prepare, and, as soon as practicable but in no event later than the Demand Registration Filing Deadline, file with the SEC a Registration Statement, and the Company shall include in such Registration Statement all Registrable Securities with respect to which the Company has received written requests for inclusion within twenty (20) days after delivery of the Company's notice; provided, however, that if the Demand Registration is for an offering pursuant to Rule 415, the Company shall not be required to include in such Demand Registration Statement a number of Registrable Securities in excess of the Permitted Registration Amount. Demand Registrations will be Short-Form Registrations whenever the Company is permitted to use Form S-3 or any applicable short form therefor. If a Short-Form Registration is to be an underwritten public offering, and if the underwriters for marketing or other reasons request the inclusion in the Registration Statement of information which is not required under the 1933 Act to be included in a Registration Statement on the applicable form for the Short-Form Registration, the Company will provide such information as may be reasonably requested for inclusion by the underwriters in the Short-Form Registration. The Company is not obligated to effect more than three (3) Short-Form Demand Registrations in any 12-month period.

c. Filing Deadlines and Effectiveness Dates. The Company shall use its reasonable best efforts to have any Registration Statement filed pursuant to this Section 3 declared effective by the SEC as soon as practicable, but in no event later than the date which is seventy-five (75) days after the date such Registration Statement is initially filed with the SEC (the "**Demand Registration Effectiveness Deadline**").

d. Allocation and Priority of Registrable Securities in a Demand Registration.

i. The Company will not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the Investors holding securities representing at least two-thirds (2/3) of the Registrable Securities to be included in such Demand Registration. If a Demand Registration is for an offering pursuant to Rule 415 and the number of Registrable Securities required by the Investors to be included therein exceeds the Permitted Registration Amount, the initial number of Registrable Securities included in any Registration Statement in respect of such Demand Registration and each increase in the number of Registrable Securities included therein shall be allocated pro rata among the Investors holding Registrable Securities on the basis of the number of Registrable Securities owned by such Investors, with further successive pro rata allocations among the Investors if any such Investor has requested the registration of less than all of the Registrable Securities such Investor is entitled to register. In the event that an Investor sells or otherwise transfers any of such Investor's Registrable Securities, each transferee shall be allocated a pro rata portion of the then remaining number of Registrable Securities included in such Registration Statement for such transferor. Any shares of Common Stock included in a Demand Registration Statement and which remain allocated to any Person which ceases to hold any Registrable Securities covered by such Demand Registration Statement shall be allocated to the remaining Investors, pro rata based on the number of Registrable Securities then held by such Investors which are covered by such Registration Statement. For purposes hereof, the number of Registrable Securities held by an Investor includes all shares of Common Stock issuable upon exercise of Warrants (and upon conversion, exercise or exchange of other securities held by Buyer on the date of this Agreement) held by such Investor, with further successive pro rata allocations among the Investors if any such Investor has requested the registration of less than all of the Registrable Securities such Investor is entitled to register.

ii. If a Demand Registration is an underwritten public offering and the managing underwriters advise the Company in writing that in their opinion the inclusion of the number of Registrable Securities and other securities requested to be included creates a substantial risk that the price per share of Common Stock will be reduced, the Company will include in such registration, prior to the inclusion of any securities which are not Registrable Securities, the number of Registrable Securities requested to be included which in the opinion of such underwriters can be sold without creating such a risk, pro rata among the respective Investors holding Registrable Securities on the basis of the number of Registrable Securities owned by such Investors, with further successive pro rata allocations among the Investors if any such Investor has requested the registration of less than all such Registrable Securities such Investor is entitled to register.

e. Selection of Underwriters. The Investors holding at least two-thirds (2/3) of the Registrable Securities included in any Demand Registration shall have the right to elect that the Demand Registration shall be underwritten and, if so elected, to select the investment bank(s) and manager(s) to administer the offering, subject to the Company's approval, which shall not be unreasonably withheld, conditioned or delayed.

f. Effect of Failure to File and Obtain and Maintain Effectiveness of a Demand Registration Statement. If (i) a Registration Statement covering Registrable Securities and required to be filed by the Company pursuant to Section 3(a) or Section 3(b) of this Agreement is not (A) filed with the SEC on or before the applicable Filing Deadline or (B) declared effective by the SEC on or before the applicable Effectiveness Deadline, or (ii) on any day after any such Registration Statement has been declared effective by the SEC sales of all the Registrable Securities required to be included on such Registration Statement cannot be made (other than during an Allowable Grace Period (as defined in Section 5(t)) pursuant to such Registration Statement (including because of a failure to keep such Registration Statement effective, to disclose such information as is necessary for sales to be made pursuant to such Registration Statement or to register sufficient shares of Common Stock, as determined in accordance with this Section 3, or because a post-effective amendment to such Registration Statement has been filed but not been declared effective), then, as partial relief for the damages to any holder of Registrable Securities by reason of any such delay in or reduction of its ability to sell the underlying shares of Common Stock (which remedy shall not be exclusive of any other remedies available at law or in equity), the Company shall pay to such holder an amount in cash equal to the product of (i) the sum of (A) the total Aggregate Exercise Price (as defined in the Warrant) of the Warrant held by such holder, plus (B) the product of (I) the total number of New Common Shares and Other Common Shares held by such holder, multiplied by (II) the arithmetic average of the Weighted Average Price of the Common Stock on each of the five (5) consecutive Trading Days immediately preceding the Exchange Closing Date (subject to appropriate adjustment for any stock dividend, stock split, stock combination or other similar transaction occurring during such period) multiplied by (ii) the sum of (a) 0.02, if such Registration Statement is not filed by the applicable Filing Deadline, plus (b) 0.02, if such Registration Statement is not declared effective by the applicable Effectiveness Deadline, plus (c) the product of (X) 0.000667 multiplied by (Y) the sum (without duplication) of (1) the number of days after the applicable Filing Deadline that such Registration Statement is not filed with the SEC, plus (2) the number of days after the applicable Effectiveness Deadline that such Registration Statement is not declared effective by the SEC, plus (3) the number of days after such Registration Statement has been declared effective by the SEC that such Registration Statement is not available (other than during an Allowable Grace Period) for the sale of at least all the Registrable Securities required to be included on such Registration Statement pursuant to this Section 3. The payments to which a holder shall be entitled pursuant to this Section 3(f) are referred to herein as "**Demand Registration Delay Payments**." Demand Registration Delay Payments shall be paid on the earlier of (I) the last day of the calendar month during which such Demand Registration Delay Payments are incurred and (II) the third Business Day after the event or failure giving rise to the Demand Registration Delay Payments is cured. In the event the Company fails to make Demand Registration Delay Payments in a timely manner, such Demand Registration Delay Payments, shall bear interest, in each case until paid in full, at a rate equal to the lesser of (A) 2.0% per month (equivalent to a per annum rate of 24.0%), prorated for partial months, and (B) the highest lawful interest rate.

4. **PIGGYBACK REGISTRATIONS.**

a. Right to Piggyback. Whenever the Company proposes to register any of its securities under the 1933 Act (other than pursuant to Section 2 or 3 of the Agreement) in connection with a public offering of such securities for cash (other than a registration relating solely to the sale of securities to participants in a stock incentive plan of the Company, in their capacity as such) and the registration form to be used may be used for the registration of Registrable Securities (a "**Piggyback Registration**"), the Company will give prompt written notice (and in any event within five (5) Business Days after its receipt of notice of any exercise of demand registration rights other than under this Agreement), which notice shall describe the offering contemplated thereby, to all Investors of its intention to effect such a registration and will include in such registration all Registrable Securities held by any Investors (in accordance with the priorities set forth in Sections 4(b) and 4(c) below) with respect to which the Company has received written requests for inclusion within twenty (20) days after the delivery of the Company's notice; provided, however, that if the Piggyback Registration is for an offering pursuant to Rule 415, the Company shall not be required to include in such Demand Registration Statement a number of Registrable Securities in excess of the Permitted Registration Amount.

b. Allocation and Priority of Registrable Security in a Piggyback Registration.

i. If the Registrable Securities are then eligible for sale on a delayed or continuous basis pursuant to Rule 415 and a Piggyback Registration is for an offering pursuant to Rule 415 and the number of Registrable Securities required by the Investors to be included therein exceeds the Permitted Registration Amount, the initial number of Registrable Securities included in any Registration Statement in respect of such Piggyback Registration and each increase in the number of Registrable Securities included therein shall be allocated pro rata among the Investors holding Registrable Securities on the basis of the number of Registrable Securities owned by such Investors, with further successive pro rata allocations among the Investors if any such Investor has requested the registration of less than all of the Registrable Securities such Investor is entitled to register. In the event that an Investor sells or otherwise transfers any of such Investor's Registrable Securities, each transferee shall be allocated a pro rata portion of the then remaining number of Registrable Securities included in such Registration Statement for such transferor. Any shares of Common Stock included in a Piggyback Registration Statement and which remain allocated to any Person which ceases to hold any Registrable Securities covered by such Piggyback Registration Statement shall be allocated to the remaining Investors, pro rata based on the number of Registrable Securities then held by such Investors which are covered by such Registration Statement. For purposes hereof, the number of Registrable Securities held by an Investor includes all shares of Common Stock issuable upon exercise of the Warrant (and upon conversion, exercise or exchange of other securities) held by such Investor.

ii. If a Piggyback Registration is an underwritten primary registration on behalf of the Company and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in the registration creates a substantial risk that the price per share of Common Stock in the offering will be reduced, the Company will include in such registration first, the securities that the Company proposes to sell, second, the Registrable Securities requested to be included in such registration, pro rata among the Investor on the basis of the number of shares of Registrable Securities owned by the Investors, with further successive pro rata allocations among the Investors if any such Investor has requested the registration of less than all of the Registrable Securities such Investor is entitled to register, and third, any other securities requested to be included in such registration.

iii. Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in the registration creates a substantial risk that the price per share of Common Stock in the offering will be reduced, the Company will include in such registration first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, pro rata among the holders of such securities on the basis of the number of shares of Common Stock or Registrable Securities owned by such holders, with further successive pro rata allocations among such holders if any such holder has requested the registration of less than all of the Registrable Securities such holder is entitled to register, and second, other securities requested to be included in such registration.

c. Selection of Underwriters. In connection with any Piggyback Registration, (i) Investors holding at least two-thirds (2/3) of the Registrable Securities requested to be registered shall have the right to elect that such registration be underwritten and to select the managing underwriters (subject to the approval of the Company, which shall not be unreasonably withheld, conditioned or delayed) to administer any offering of the Company's securities covered by Section 5(b)(iii), and (ii) the Company shall have the right to select the managing underwriters (subject to the approval of Investors holding securities representing at least two-thirds (2/3) of the Registrable Securities requested to be registered, which shall not be unreasonably withheld, conditioned or delayed) to administer any offering of the Company's securities covered by Section 5(b)(ii).

5. **RELATED OBLIGATIONS.**

Whenever the Company is obligated to file a Registration Statement with the SEC pursuant to Section 2 or Section 3, the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, or the Company is otherwise obligated to file a Registration Statement pursuant to this Agreement, the Company shall use its reasonable best efforts to effect the registration of the Registrable Securities in accordance with the intended method of disposition thereof and, pursuant thereto, the Company shall have the following obligations:

a. The Company shall promptly prepare and file with the SEC a Registration Statement with respect to the applicable Registrable Securities (but in no event later than the Applicable Filing Deadline) and use its reasonable best efforts to cause such Registration Statement relating to the Registrable Securities to become effective as soon as practicable after such filing (but in no event later than the applicable Effectiveness Deadline). No later than the first Business Day after such Registration Statement becomes effective, the Company shall file with the SEC the final prospectus included therein pursuant to Rule 424 (or successor thereto) promulgated under the 1933 Act. The Company shall keep each Registration Statement effective pursuant to Rule 415 at all times until the earlier of (i) the date as of which the Investors may sell all of the Registrable Securities covered by such Registration Statement without restriction pursuant to Rule 144(k) (or successor thereto) promulgated under the 1933 Act or (ii) the date on which the Investors shall have sold all the Registrable Securities covered by such Registration Statement to Persons that are not Investors (the "**Registration Period**"). Such Registration Statement (including any amendments or supplements thereto and any prospectuses (preliminary, final, summary or free writing) contained therein or related thereto shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading. The term "reasonable best efforts" shall mean, among other things, that the Company shall submit to the SEC, within two (2) Business Days after the Company learns that no review of a particular Registration Statement will be made by the staff of the SEC or that the staff of the SEC has no further comments on the Registration Statement, as the case may be, a request for acceleration of effectiveness of such Registration Statement to a time and date not later than 48 hours after the submission of such request.

b. The Company shall prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the prospectus used in connection with such Registration Statement (which prospectus supplements shall be filed pursuant to Rule 424 (or successor thereto) promulgated under the 1933 Act) as may be necessary to keep such Registration Statement effective at all times during the Registration Period, and, during such period, comply with the provisions of the 1933 Act with respect to the disposition of all Registrable Securities of the Company covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. In the case of any amendment or supplement to a Registration Statement or prospectus that is required to be filed pursuant to this Agreement (including pursuant to this Section 5(b)) by reason of the Company filing a report under the 1934 Act, the Company shall have incorporated such report by reference into such Registration Statement, if applicable and permitted by law, or shall file such amendments or supplements with the SEC on the same day. The Company shall use its reasonable best efforts to cause any post-effective amendment to a Registration Statement to become effective as soon as practicable after such filing. No later than the first Business Day after a post-effective amendment to a Registration Statement becomes effective, the Company shall file with the SEC the final prospectus included therein pursuant to Rule 424 (or successor thereto) promulgated under the 1933 Act.

c. The Investors holding securities representing at least two-thirds, (2/3) of the Registrable Securities to be included in any Registration Statement shall have the right to select one legal counsel to review such Registration Statements ("Legal Counsel"), which shall be Katten Muchin Rosenman LLP or such other counsel as thereafter designated by the holders of at least two-thirds (2/3) of the Registrable Securities to be included in such Registration Statement. The Company shall reasonably cooperate with Legal Counsel in performing the Company's obligations under this Agreement. Without limiting the foregoing, the Company shall (A) permit Legal Counsel to review and comment upon (i) the Initial Registration Statement or Registration Statement with respect to a Long Form Registration, at least five (5) Business Days prior to its filing with the SEC, (ii) any Registration Statement with respect of a Short-Form Registration, at least three (3) Business Days prior to its filing with the SEC, and (iii) all other Registration Statements and all amendments and supplements to all Registration Statements, within a reasonable number of days prior to their filing with the SEC, and (B) not file any document, registration statement, amendment or supplement described in the foregoing clause (A) in a form to which Legal Counsel reasonably objects. The Company shall not submit a request for acceleration of the effectiveness of a Registration Statement or any amendment or supplement thereto without providing prior notice thereof to Legal Counsel and each Investor. The Company shall furnish to Legal Counsel, without charge, (i) promptly after the same is prepared and filed with the SEC, one copy of any Registration Statement and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits and (ii) upon the effectiveness of any Registration Statement, one copy of the prospectus included in such Registration Statement and all amendments and supplements thereto. The Company shall reasonably cooperate with Legal Counsel in performing the Company's obligations pursuant to this Section 5.

d. The Company shall furnish to each Investor whose Registrable Securities are included in any Registration Statement, without charge, (i) promptly after the same is prepared and filed with the SEC, at least one copy of such Registration Statement and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference that have not been filed via EDGAR, all exhibits and each preliminary prospectus, (ii) upon the effectiveness of any Registration Statement, at least one copy of the prospectus included in such Registration Statement and all amendments and supplements thereto (or such other number of copies as such Investor may reasonably request) and (iii) such other documents, including copies of any prospectus (preliminary, final, summary or free writing), as such Investor may reasonably request from time to time in order to facilitate the disposition of the Registrable Securities owned by such Investor.

e. The Company shall use its reasonable best efforts to (i) register and qualify, unless an exemption from registration and qualification applies, the resale by the Investors of the Registrable Securities covered by a Registration Statement under the securities or "blue sky" laws of all the states of the United States and any other jurisdiction reasonably requested by any Investor, (ii) prepare and file in those jurisdictions, such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 5(e) or (y) subject itself to general taxation in any such jurisdiction. The Company shall promptly notify Legal Counsel and each Investor who holds Registrable Securities of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or "blue sky" laws of any jurisdiction or its receipt of actual notice of the initiation or threatening of any proceeding for such purpose.

f. The Company shall notify Legal Counsel and each Investor in writing of the happening of any event, as promptly as practicable after becoming aware of such event, as a result of which any prospectus included in, or relating to, a Registration Statement, as then in effect, includes an untrue statement of a material fact or omission to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (provided that in no event shall such notice contain any material, nonpublic information), and promptly prepare and file with the SEC a supplement or amendment to such Registration Statement to correct such untrue statement or omission, and deliver at least one copy of such supplement or amendment to Legal Counsel and each Investor. The Company shall also promptly notify Legal Counsel and each Investor in writing (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to Legal Counsel and each Investor by facsimile on the same day of such effectiveness and by overnight mail), (ii) of any request by the SEC for amendments or supplements to a Registration Statement or related prospectus or related information, and (iii) of the Company's reasonable determination that a post-effective amendment to a Registration Statement would be appropriate.

g. The Company shall use its reasonable best efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement, or the suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction and, if such an order or suspension is issued, to obtain the withdrawal of such order or suspension at the earliest possible moment and to notify Legal Counsel and each Investor who holds Registrable Securities being sold of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

h. At the reasonable request (in the context of the securities laws) of any Investor, or in the case of an underwritten offering upon the request of any underwriter, the Company shall furnish to such Investor or underwriter, as the case may be, on the date of the effectiveness of the Registration Statement and thereafter from time to time on such dates as such Investor or underwriter may reasonably request (i) a "comfort letter," dated such date, from the Company's independent registered certified public accountants in form and substance as is customarily given by registered independent registered certified public accountants to underwriters in an underwritten public offering, addressed to the Investors and any underwriters (or if such accountants are prohibited by generally accepted auditing standards from issuing such a "comfort letter" to an Investor, the Company shall furnish to such Investor an "agreed upon procedures" letter covering the same matters to the greatest extent possible, and otherwise in customary form and substance), and (ii) an opinion, dated as of such date, of counsel representing the Company for purposes of such Registration Statement, in form, scope and substance as is customarily given to underwriters in an underwritten public offering, addressed to such Investor or underwriter, as the case may be.

i. At the reasonable request (in the context of the securities laws) of any Investor or, in the case of an underwritten offering, upon the request of any underwriter, the Company shall make available for inspection during regular business hours by (i) any Investor, (ii) Legal Counsel and (iii) one firm of accountants or other agents retained by the Investors (collectively, the "**Inspectors**"), and in the case of an underwritten offering by any underwriter all pertinent financial and other records, and pertinent corporate documents and properties of the Company (collectively, the "**Records**"), as shall be reasonably deemed necessary by such Inspector or underwriter, as the case may be, and cause the Company's officers, directors and employees to supply all information that any Inspector or underwriter may reasonably request; provided, however, that each Inspector shall agree to hold in strict confidence and shall not make any disclosure (except to an Investor or underwriter) or use of any Record or other information that the Company determines in good faith to be confidential, and of which determination the Inspectors are so notified, unless (a) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in any Registration Statement or is otherwise required under the 1933 Act, (b) the release of such Records is ordered pursuant to a subpoena or other order from a court or government body of competent jurisdiction, or (c) the information in such Records has been made generally available to the public other than by disclosure in violation of this or any other agreement of which the Inspector has knowledge. Each Investor agrees that it shall, upon learning that disclosure of such Records is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, the Records deemed confidential. Nothing herein (or any other confidentiality agreement between the Company and any Investor) shall be deemed to limit the Investor's ability to sell Registrable Securities in a manner that is otherwise consistent with

applicable laws and regulations, provided that such Investor receiving information pursuant to this Section 5(i) complies with its confidentiality obligations pursuant to this Section 5(i).

j. The Company shall hold in confidence and not make any disclosure of information concerning an Investor provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning an Investor is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to such Investor and allow such Investor, at the Investor's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

k. The Company shall use its reasonable best efforts to (i) cause all the Registrable Securities covered by a Registration Statement to be listed on each securities exchange or trading market on which securities of the same class or series issued by the Company are listed, and (ii) without limiting the generality of the foregoing, arrange for at least three market makers to register with the National Association of Securities Dealers, Inc. (the "**NASD**") as such with respect to such Registrable Securities. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 5(k).

l. The Company shall cooperate with the Investors who hold Registrable Securities being offered and the underwriters, if any, and, to the extent applicable, facilitate the timely preparation and delivery of certificates (not bearing any restrictive legend) representing the Registrable Securities to be offered pursuant to a Registration Statement and enable such certificates to be in such denominations or amounts, as the case may be, as the Investors may reasonably request and registered in such names as the Investors may request.

m. The Company shall provide a transfer agent and registrar of all such Registrable Securities not later than the effective date of the applicable Registration Statement.

n. If requested by an Investor, the Company shall (i) as soon as practicable incorporate in a prospectus supplement or post-effective amendment such information as such Investor requests to be included therein relating to the sale and distribution of Registrable Securities, including information with respect to such Investor, the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; (ii) as soon as practicable make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment; and (iii) as soon as practicable, supplement or make amendments to any Registration Statement if reasonably requested by an Investor.

o. The Company shall use its reasonable best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities in the United States as may be necessary to consummate the disposition of such Registrable Securities.

p. The Company shall make generally available to its security holders as soon as practical, but not later than ninety (90) days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 under the 1933 Act) covering a 12-month period beginning not later than the first day of the Company's fiscal quarter next following the effective date of a Registration Statement.

q. The Company shall otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the SEC in connection with any registration hereunder.

r. Within one (1) Business Day after a Registration Statement that covers applicable Registrable Securities is ordered effective by the SEC, the Company shall deliver, and shall cause legal counsel for the Company to deliver, to the transfer agent for such Registrable Securities (with copies to the Investors whose Registrable Securities are included in such Registration Statement) confirmation that such Registration Statement has been declared effective by the SEC in substantially the form attached hereto as Exhibit A, provided that if the Company changes its transfer agent, it shall immediately deliver any previously delivered notices under this Section 5(r) and any subsequent notices to such new transfer agent.

s. To the extent not made by the underwriters in the case of an underwritten offering, the Company shall make such filings with the NASD, pursuant to NASD Rule 2710 or otherwise (including providing all required information and paying required fees thereto), as and when requested by any Investor, or in the case of an underwritten offering, by any underwriter, and make all other filings and take all other actions reasonably necessary to expedite and facilitate the disposition by the Investors of Registrable Securities pursuant to a Registration Statement, including promptly responding to any comments received from the NASD.

t. Notwithstanding anything to the contrary in Section 5(f), at any time after the applicable Registration Statement has been declared effective by the SEC, the Company may delay the disclosure of material non-public information concerning the Company the disclosure of which at the time is not, in the good faith opinion of the Board of Directors of the Company and its counsel, in the best interest of the Company and not, in the opinion of counsel to the Company, otherwise required (a "**Grace Period**"); provided, that the Company shall promptly (i) notify the Investors in writing of the existence of material non-public information giving rise to a Grace Period (provided that in each notice the Company shall not disclose the content of such material non-public information to the Investors) and the date on which the Grace Period will begin, and (ii) notify the Investors in writing of the date on which the Grace Period ends; and, provided further, that (A) no Grace Period shall exceed fifteen (15) consecutive days, (B) during any 365 day period such Grace Periods shall not exceed an aggregate of thirty (30) days and (C) the first day of any Grace Period must be at least ten (10) Trading Days after the last day of any prior Grace Period (a Grace Period that satisfies all of the requirements of this Section 5(t) being referred to as an "**Allowable Grace Period**"). For purposes of determining the length of a Grace Period above, the Grace Period shall begin on and include the date the Investors receive the notice referred to in clause (i) and shall end on and include the later of the date the Investors receive the notice referred to in clause (ii) and the date referred to in such notice. The provisions of Section 5(g) hereof shall not be applicable during the period of any Allowable Grace Period. Upon expiration of the Grace Period, the Company shall again be bound by the provisions of the first sentence of Section 5(f) with respect to the information giving rise thereto unless such material non-public information is no longer applicable.

u. The Company shall not register any of its securities for sale for its own account (other than for issuance to employees, directors and consultants, of the Company under an employee benefit plan or for issuance in a business combination transaction), except pursuant to a firm commitment underwritten offering. Except pursuant to this Agreement, the Company shall not file any Registration Statement (other than on Form S-8) with the SEC prior to the date that the Initial Registration Statement is declared effective by the SEC.

v. The Company shall enter into such customary agreements (including, in the case of underwritten offering, an underwriting agreement) and take such other actions as the any of the Investors or underwriters, if any, may reasonably request in order to expedite and facilitate the disposition of the Registrable Securities and any other securities covered by a Registration Statement.

6. **OBLIGATIONS OF THE INVESTORS.**

a. At least seven (7) Business Days prior to the first anticipated filing date of a Registration Statement and at lease five (5) Business Days prior to the filing of any amendment or supplement Registration Statement, the Company shall notify each Investor in writing of the information, if any, the Company requires from each such Investor if such Investor elects to have any of such Investor's Registrable Securities included in such Registration Statement or, with respect to an amendment or a supplement, if such Investor's Registrable Securities are included in such Registration Statement (each an "**Information Request**"). Provided that the Company shall have complied with its obligations set forth in the preceding sentence, it shall be a condition precedent to the obligations of the Company to complete the registration pursuant to this Agreement with respect to the Registrable Securities of a particular Investor that such Investor shall furnish to the Company, in response to an Information Request, such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it as shall be reasonably required to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request.

b. Each Investor agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of any Registration Statement in which any Registrable Securities held by such Investors are being included.

c. Each Investor agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 5(g) or the first sentence of Section 5(f) or written notice from the Company of an Allowable Grace Period, such Investor will promptly discontinue disposition of Registrable Securities pursuant to any Registration Statement(s) covering such Registrable Securities until such Investor's receipt of the copies of the supplemented or amended prospectus contemplated by Section 5(g) or the first sentence of Section 5(f) or receipt of notice that no supplement or amendment is required or that the Allowable Grace Period has ended. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of an Investor in accordance with the terms of the Securities Exchange Agreement in connection with any sale of Registrable Securities with respect to which an Investor provides reasonable evidence that such Investor has entered into a contract for sale prior to the Investor's receipt of a notice from the Company of the happening of any event of the kind described in Section 5(g) or the first sentence of Section 5(f) and for which the Investor has not yet settled.

7. **EXPENSES OF REGISTRATION.**

All reasonable expenses, other than underwriting discounts and commissions, incurred in connection with registrations, filings or qualifications pursuant to Sections 2, 3, 4 and 5, including all registration, listing and qualifications fees, printers and accounting fees, and fees and disbursements of counsel for the Company shall be paid by the Company. The Company shall also reimburse the Investors for the reasonable fees and disbursements of Legal Counsel in connection with registration, filing or qualification pursuant to Sections 2, 3, 4 and 5, of this Agreement.

8. **INDEMNIFICATION.**

In the event any Registrable Securities are included in a Registration Statement under this Agreement:

a. To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend each Investor and any underwriter, and the directors, officers, partners, members, managers, employees, agents, representatives of, and each Person, if any, who controls any Investor or underwriter within the meaning of the 1933 Act or the 1934 Act (each, an "**Indemnified Person**"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several, (collectively, "**Claims**") incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency authority, or body (including the SEC or any state securities commission, authority or self-regulatory organization, in the United States or anywhere else in the world), whether pending or threatened, whether or not an indemnified party is or may be a party thereto ("**Indemnified Damages**"), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any filing made in connection with the qualification of the offering under the securities or other "blue sky" laws of any jurisdiction in which Registrable Securities are offered ("**Blue Sky Filing**"), or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary, final, summary or free writing prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in light of the circumstances under which the statements therein were made, not misleading, (iii) any violation or alleged violation by the Company of the 1933 Act, the 1934 Act, any other law, including any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement or (iv) any material violation of this Agreement by the Company (the matters in the foregoing clauses (i) through (iv) being, collectively, "**Violations**"). Subject to Section 8(c), the Company shall reimburse the Indemnified Persons, promptly as such expenses are incurred and are due and payable, for any legal fees or other reasonable expenses incurred by them in connection with investigating or defending any such Claim. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 8(a): (i) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Person for such Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto if such prospectus (or amendment or supplement thereto) was timely filed with the SEC and furnished by the Company to such Investor pursuant to Section 5(d), and (ii) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Indemnified Person and shall survive the transfer of the Registrable Securities by the Investors pursuant to Section 11.

b. In connection with any Registration Statement in which an Investor is participating, each such Investor agrees to severally and not jointly indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in Section 8(a), the Company, each of its directors, each of its officers who signs the Registration Statement, and each Person, if any, who controls the Company within the meaning of the 1933 Act or the 1934 Act (each an "**Indemnified Party**"), against any Claim or Indemnified Damages to which any of them may become subject, under the 1933 Act, the 1934 Act or otherwise, insofar as such Claim or Indemnified Damages arise out of or are based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by such Investor expressly for use in connection with such Registration Statement; and, subject to Section 8(c), such Investor will reimburse any legal or other expenses reasonably incurred by an Indemnified Party in connection with investigating or defending any such Claim; provided, however, that the indemnity agreement contained in this Section 8(b) and the agreement with respect to contribution contained in Section 9 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of such Investor, which consent shall not be unreasonably withheld, conditioned or delayed; provided, further, however, that the aggregate liability of the Investor in connection with any Violation shall not exceed the net proceeds to such Investor as a result of the sale of Registrable Securities pursuant to the Registration Statement giving rise to such Claim. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive any transfer of the Registrable Securities by an Investor pursuant to Section 11.

c. Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 8 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 8, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be. In any such proceeding, any Indemnified Person or Indemnified Party may retain its own counsel, but, except as provided in the following sentence, the fees and expenses of that counsel will be at the expense of that Indemnified Person or Indemnified Party, as the case may be, unless (i) the indemnifying party and the Indemnified Person or Indemnified Party, as applicable, shall have mutually agreed to the retention of that counsel, (ii) the indemnifying party does not assume the defense of such proceeding in a timely manner or (iii) in the reasonable opinion of counsel retained by the Indemnified Person or Indemnified Party, the representation by such counsel for the Indemnified Person or Indemnified Party and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. The Company shall pay reasonable fees for up to one separate legal counsel (plus local counsel) for the Investors, and such legal counsel shall be selected by the Investors holding at least two-thirds (2/3) in interest of the Registrable Securities included in the Registration Statement to which the Claim relates. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise with respect to any pending or threatened action or claim in respect of which indemnification or contribution may be or has been sought hereunder (whether or not the Indemnified Party or Indemnified Person is an actual or potential party to such action or claim) which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or Indemnified Person of a release from all liability in respect to such Claim or litigation, and such settlement shall not include any admission as to fault on the part of the Indemnified Party. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 8, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

d. The indemnification required by this Section 8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or Indemnified Damages are incurred.

e. The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

9. **CONTRIBUTION.**

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 8 to the fullest extent permitted by law; provided, however, that: (i) no Person involved in the sale of Registrable Securities who is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) in connection with such sale, shall be entitled to contribution from any Person involved in such sale of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited to an amount equal to the net amount of proceeds received by such seller from the sale of such Registrable Securities pursuant to the Registration Statement giving rise to such action or claim for indemnification less the amount of any damages that such seller has otherwise been required to pay in connection with such sale.

10. **REPORTS UNDER THE 1934 ACT.**

With a view to making available to the Investors the benefits of Rule 144 promulgated under the 1933 Act or any other similar rule or regulation of the SEC that may at any time permit the Investors to sell securities of the Company to the public without registration ("**Rule 144**"), the Company agrees to:

a. make and keep public information available, as those terms are understood and defined in Rule 144;

b. file with the SEC in a timely manner all reports and other documents required of the Company under the 1934 Act so long as the Company remains subject to such requirements (it being understood that nothing herein shall limit the Company's obligations under Section 4(c) of the Securities Exchange Agreement) and the filing of such reports and other documents is required for the applicable provisions of Rule 144; and

c. furnish to each Investor so long as such Investor owns Registrable Securities, promptly upon request, (i) a written statement by the Company that it has complied with the reporting requirements of Rule 144 and the 1934 Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company (or information regarding the locations thereof on the SEC's EDGAR filing system), and (iii) such other information as may be reasonably requested to permit the Investors to sell such securities pursuant to Rule 144 without registration.

11. **ASSIGNMENT OF REGISTRATION RIGHTS.**

The rights under this Agreement shall be automatically assignable by the Investors to any transferee or assignee of all or any portion of Registrable Securities if: (i) the Investor agrees in writing with the transferee or assignee to assign such rights, and a copy of such agreement is furnished to the Company within a reasonable time after such transfer or assignment; (ii) the Company is, within a reasonable time after such transfer or assignment, furnished with written notice of (a) the name and address of such transferee or assignee, and (b) the securities with respect to which such registration rights are being transferred or assigned; (iii) immediately following such transfer or assignment the further disposition of such securities by the transferee or assignee is restricted under the 1933 Act or applicable state securities laws; (iv) at or before the time the Company receives the written notice contemplated by clause (ii) of this sentence, the transferee or assignee agrees in writing with the Company to be bound by all of the provisions contained herein; and (v) such transfer shall have been made in accordance with the applicable requirements of the Securities Exchange Agreement.

12. **AMENDMENT OF REGISTRATION RIGHTS.**

Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and Investors who then hold at least two-thirds (2/3) of the Registrable Securities. Any amendment or waiver effected in accordance with this Section 10 shall be binding upon each Investor and the Company. No such amendment shall be effective to the extent that it applies to less than all of the holders of the Registrable Securities. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

13. **MISCELLANEOUS.**

a. A Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from the registered owner of such Registrable Securities.

b. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:

Sonterra Resources, Inc.
300 East Sonterra Boulevard, Suite 1220
San Antonio, Texas 78258
Facsimile: 210-545-3317
Attention: Michael J. Pawelek

With a copy to:

Thompson & Knight
333 Clay Street, Suite 3300
Houston, Texas 77002
Facsimile: 832-397-8110
Attention: Dallas Parker, Esq.

If to Buyer:

The Longview Fund, L.P.
c/o Viking Asset Management, LLC
600 Montgomery Street, 44th Floor
San Francisco, CA 94111
Facsimile: 415-981-5301
Attention: Michael Rudolph
With a copy to:
c/o Viking Asset Management, LLC
10 Glenville Street, 3rd Floor
Greenwich, Connecticut 06831
Attention: Robert J. Brantman
Facsimile: 646-840-4958
And with a copy to:
Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, Illinois 60661-3693
Attention: Mark D. Wood, Esq.
Facsimile: 312-902-1061

If to Legal Counsel, to Katten Muchin Rosenman LLP as set forth above.

Or, in the case of a Buyer or other party named above, to such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party at least five (5) days prior to the effectiveness of such change.

If to an Investor (other than the Buyer), to such Investor at the address and/or facsimile number reflected in the records or the Company.

Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by a courier or overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or deposit with a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively. Notwithstanding the foregoing, the Company or its counsel may transmit versions of any Registration Statement (or any amendments or supplements thereto) to Legal Counsel in satisfaction of its obligations under Section 5(c) to permit Legal Counsel to review such Registration Statement prior to filing (and solely for such purpose) by email to mark.wood@kattenlaw.com (or such other e-mail address as has been provided for such purpose by Legal Counsel) and provided that delivery and receipt of such transmission shall be confirmed by electronic, telephonic or other means.

c. Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

d. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof by registered or certified mail, return receipt requested, or by deposit with a nationally recognized overnight delivery service, to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

e. This Agreement and the other Transaction Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein and therein. This Agreement and the other Transaction Documents supersede all prior agreements and understandings among the parties hereto with respect to the subject matter hereof and thereof.

f. Subject to the requirements of Section 9, this Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties hereto.

g. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

h. This Agreement and any amendments hereto may be executed and delivered in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when counterparts have been signed by each party hereto and delivered to the other parties hereto, it being understood that all parties need not sign the same counterpart. In the event that any signature to this Agreement or any amendment hereto is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof. No party hereto shall raise the use of a facsimile machine or e-mail delivery of a ".pdf" format data file to deliver a signature to this Agreement or any amendment hereto or the fact that such signature was transmitted or communicated through the use of a facsimile machine or e-mail delivery of a ".pdf" format data file as a defense to the formation or enforceability of a contract and each party hereto forever waives any such defense.

i. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

j. All consents and other determinations to be made by the Investors pursuant to this Agreement shall be made, unless otherwise specified in this Agreement, by Investors holding at least two-thirds (2/3) of the Registrable Securities, determined as if the Warrant (any other securities exercisable or exchangeable for, or convertible into Registrable Securities) then outstanding have been converted into or exercised or exchanged for Registrable Securities, without regard to any limitations on the exercise of the Warrants (or any such other securities). Any consent or other determination approved by Investors as provided in the immediately preceding sentence shall be binding on all Investors.

k. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent and no rules of strict construction will be applied against any party.

l. Each Buyer and each holder of the Securities shall have all rights and remedies set forth in the Transaction Documents and all rights and remedies that such Buyers and holders have been granted at any time under any other agreement or contract and all of the rights that such Buyers and holders have under any law. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security or proving actual damages), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law or in equity.

m. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and, to the extent provided in Sections 8(a) and 8(b) hereof, each Investor, any underwriter, and the directors, officers, partners, members, managers, employees, agents, representatives of, and each Person, if any, who controls any Investor or underwriter within the meaning of the 1933 Act or the 1934 Act and each of the Company's directors, each of the Company's officers who signs the Registration Statement, and each Person, if any, who controls the Company within the meaning of the 1933 Act or the 1934 Act, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

n. The Company shall not grant any Person any registration rights with respect to shares of Common Stock or any other securities of the Company other than registration rights that will not adversely affect the rights of the Investors hereunder (including by limiting in any way the number of Registrable Securities that could be included in any Registration Statement pursuant to Rule 415) and shall not otherwise enter into any agreement that is inconsistent with the rights granted to the Investors hereunder.

o. The obligations of each Investor hereunder are several and not joint with the obligations of any other Investor, and no provision of this Agreement is intended to confer any obligations on any Investor vis-à-vis any other Investor. Nothing contained herein, and no action taken by any Investor pursuant hereto, shall be deemed to constitute the Investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Investors are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

p. Unless the context otherwise requires, (a) all references to Sections, Schedules or Exhibits are to Sections, Schedules or Exhibits contained in or attached to this Agreement, (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and (c) the use of the word "including" in this Agreement shall be by way of example rather than limitation.

* * * * * *

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed as of day and year first above written.

COMPANY:

SONTERRA RESOURCES, INC.
(f/k/a River Capital Group, Inc.)

By: /s/ Howard Taylor
Name: Howard Taylor
Title: Chief Executive Officer

BUYER:

THE LONGVIEW FUND, L.P.

By: Viking Asset Management, LLC
Its: Investment Adviser

By: /s/ S. Michael Rudolph
Name: S. Michael Rudolph
Title: Chief Financial Officer

[Signature Page to Registration Rights Agreement]

EXHIBIT A

FORM OF NOTICE OF EFFECTIVENESS
OF REGISTRATION STATEMENT

[TRANSFER AGENT]
Attn:

Re: **Sonterra Resources, Inc.**

Ladies and Gentlemen:

We are counsel to Sonterra Resources, Inc., a Delaware corporation (the "**Company**"), and have represented the Company in connection with that certain Securities Exchange Agreement (the "**Purchase Agreement**") entered into by and among the Company and the buyers named therein (collectively, the "**Holders**") pursuant to which the Company issued to the Holders shares of Common Stock of the Company (the "**Common Stock**") and warrants (the "**Warrants**") to purchase shares of Common Stock. Pursuant to the Purchase Agreement, the Company also has entered into a Registration Rights Agreement with the Holders (the "**Registration Rights Agreement**"), pursuant to which the Company agreed, among other things, to register the Registrable Securities (as defined in the Registration Rights Agreement), including the shares of Common Stock issuable upon exercise of the Warrants, under the Securities Act of 1933, as amended (the "**1933 Act**"). In connection with the Company's obligations under the Registration Rights Agreement, on _____ ___, 200_, the Company filed a Registration Statement on Form **[S-__]** (File No. 333-_____) (the "**Registration Statement**") with the Securities and Exchange Commission (the "**SEC**") relating to the Registrable Securities, which names each of the Holders as a selling stockholder thereunder.

In connection with the foregoing, we advise you that a member of the SEC's staff has advised us by telephone that the SEC has entered an order declaring the Registration Statement effective under the 1933 Act at **[ENTER TIME OF EFFECTIVENESS]** on **[ENTER DATE OF EFFECTIVENESS]** and we have no knowledge, after telephonic inquiry of a member of the SEC's staff, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the SEC, and the Registrable Securities are available for resale under the 1933 Act pursuant to the Registration Statement.

Very truly yours,

[ISSUER'S COUNSEL]

By: _____

cc: **[LIST NAMES OF HOLDERS]**

Exhibit 99.27

GUARANTY

This **GUARANTY** (as amended, restated, supplemented, or otherwise modified and in effect from time to time, this "**Guaranty**") is made as of this 14th day of February 2008 (this "**Guaranty**"), jointly and severally, by **Sonterra Oil & Gas, Inc.** (f/k/a Sonterra Resources, Inc.), a Delaware corporation ("**Sonterra**"), **Sonterra Operating, Inc.,** a Delaware corporation ("**Operations**"; each of Sonterra and Operations, together with each other person or entity who becomes a party to this Guaranty by execution of a joinder in the form of Exhibit A attached hereto, is referred to individually as a "**Guarantor**" and collectively as the "**Guarantors**"; provided, that the parties hereto agree that, as of the date hereof, Sonterra and Operations are the only Guarantors) in favor of **Viking Asset Management LLC**, a California limited liability company in its capacity as collateral agent (together with its successors and assigns in such capacity, the "**Collateral Agent**") for the benefit of Buyer (as hereinafter defined).

WITNESSETH:

WHEREAS, Sonterra, The Longview Fund, L.P., a California limited partnership ("**Buyer**") and certain officers of Sonterra are parties to that certain Amended and Restated Securities Purchase Agreement, dated effective as of July 9, 2007 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Purchase Agreement**"), pursuant to which Buyer purchased (i) 333 shares (the "**New Sonterra Shares**") of common stock, no par value, of Sonterra ("**Sonterra Common Stock**"); for an aggregate amount of $9,990, which shares constitute 100% of the issued and outstanding Capital Stock of Sonterra, and (ii) a senior secured note of Sonterra in the initial principal amount of $322,500 (the "**Deposit Note**");

WHEREAS, contemporaneously with the execution and delivery of that certain Securities Exchange and Additional Note Purchase Agreement, dated as of August 3, 2007 (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "**Exchange Agreement**"), between Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.), a Delaware corporation (the "**Company**"), and Buyer, the transactions contemplated by the Purchase Agreement to occur at the Equity Closing (as defined in the Purchase Agreement) and the transactions contemplated by the Cinco Purchase Agreement were consummated; without limiting the foregoing, pursuant to the Purchase Agreement, Buyer purchased from Sonterra a senior secured note of Sonterra in the initial principal amount of $5,990,010 (of which $322,500 represents refinancing of the Deposit Note, which is now being surrendered to Sonterra) (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Equity Note**") and a warrant to purchase 50 shares of Sonterra Common Stock (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Warrants**");

WHEREAS, at the Flash Acquisition Closing (as defined in the Purchase Agreement), the transactions contemplated by the Purchase Agreement to occur at the Flash Acquisition Closing and the transactions contemplated by the Flash Purchase Agreement were consummated subject to the terms and conditions of the Purchase Agreement; without limiting the foregoing, pursuant to the Purchase Agreement, at the Flash Acquisition Closing Buyer purchased an additional senior secured note of Sonterra in the initial principal amount of $2,000,000 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Non-Equity Note**");

WHEREAS, at the Exchange Closing, subject to the terms and conditions thereof, Buyer (i) is exchanging all of its Sonterra Common Stock and the Sonterra Equity Note for common stock of the Company, par value $0.001 per share (the common stock of the Company being referred to herein as "**RCGI Common Stock**"; and any shares thereof being referred to herein as "**RCGI Common Shares**") (the RCGI Common Shares received by Buyer in such exchange being referred to as the "**New RCGI Common Shares**"), (ii) is exchanging the Sonterra Warrant for a warrant (such warrant, together with any warrants or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified and in effect from time to time, the "**RCGI Warrant**") to purchase RCGI Common Shares (subject to adjustment as provided in the RCGI Warrant) (the "**Warrant Shares**"), which RCGI Warrant shall have a term of five years and be exercisable into the Warrant Shares at a price per Warrant Share (the "**Warrant Exercise Price**") equal to 110% of the quotient of $6,000,000 divided by the number of New RCGI Common Shares issued to Buyer at the Exchange Closing (subject to adjustment as provided in the RCGI Warrant); and (iii) is exchanging the Sonterra Non-Equity Note for a senior secured note of the Company in an initial principal amount equal to the principal amount owing under the Sonterra Non-Equity Note on the Exchange Closing Date (such note, together with any promissory notes or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified from time to time, the "**Initial RCGI Note**");

WHEREAS, subject to the terms and conditions set forth in the Exchange Agreement, during the Additional Note Issuance Period (as defined therein), the Company will have the option to sell, and if the Company exercises such option Buyer shall be obligated to purchase, additional senior secured notes (including any promissory notes or other securities issued in exchange or substitution for such senior secured notes or replacement thereof, and as any of the same may be amended, restated, modified or supplemented and in effect from time to time, the "**Additional RCGI Notes**"; and, collectively with any Initial RCGI Note, the "**Notes**"), each with a maturity date of August 31, 2010, in an original aggregate principal amount of up to the result of $10,000,000 minus the original principal amount of the Initial RCGI Note;

WHEREAS, pursuant to a Pledge Agreement of even date herewith (as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Company Pledge Agreement**") by the Company in favor of the Collateral Agent, the Company has pledged a lien on and security interest in all of the issued and outstanding Capital Stock of Sonterra;

WHEREAS, pursuant to a Pledge Agreement of even date herewith (as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Sonterra Pledge Agreement**") by Sonterra in favor of the Collateral Agent, Sonterra has pledged a lien on and security interest in all of the issued and outstanding Capital Stock of Operations;

WHEREAS, pursuant to a Security Agreement dated as of July 9, 2007 (as amended by a First Amendment to Security Agreement dated August 3, 2007, and as may be further amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Security Agreement**") between Sonterra as "Debtor" (as defined therein and the Collateral Agent named therein, such Debtor has granted the Collateral Agent, for the benefit of Buyer, a first priority security interest in, lien upon and pledge of its rights in the Collateral (as defined in the Security Agreement); and

WHEREAS, the Guarantors are direct and indirect subsidiaries of the Company and, as such, will derive substantial benefit and advantage from the loans and other financial accommodations available to the Company set forth in the Exchange Agreement, the Notes and the other Transaction Documents, and it will be to the Guarantors' direct interest and economic benefit to assist the Company in procuring said Loans and other financial accommodations from Buyer.

NOW, THEREFORE, for and in consideration of the premises and in order to induce Buyer to make the Loans, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Guarantor hereby jointly and severally agrees as follows:

Definitions: Capitalized terms used herein without definition and defined in the Exchange Agreement are used herein as defined therein. In addition, as used herein:

"**Bankruptcy Code**" shall mean the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.), as amended and in effect from time to time thereunder.

"**Obligations**" shall mean (i) all obligations, liabilities and indebtedness of every nature of the Company from time to time owed or owing to the Buyer and Collateral Agent, including, without limitation, all obligations, liabilities and indebtedness of every nature of the Company under the Security Documents, the Exchange Agreement, the Notes, the Loans, the Warrants, the Registration Rights Agreement and the other Transaction Documents, including, without limitation, the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, taxes, indemnities, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and/or from time to time hereafter owing, due or payable whether before or after the filing of a bankruptcy, insolvency or similar proceeding under applicable federal, state, foreign or other law and whether or not an allowed claim in any such proceeding, and (ii) all obligations, liabilities and indebtedness of every nature of any subsequent Guarantor from time to time owed or owing to Buyer and/or Collateral Agent, including, without limitation, all obligations, liabilities and indebtedness of every nature of the Guarantors under or in respect of this Guaranty, the Pledge Agreement, the Security Agreement, the Exchange Agreement, the Notes, the Loans, the Warrants, the Registration Rights Agreement, the other Security Documents and the other Transaction Documents, as the case may be, including, without limitation, the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, taxes, indemnities, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and/or from time to time hereafter owing, due or payable whether before or after the filing of a bankruptcy, insolvency or similar proceeding under applicable federal, state, foreign or other law and whether or not an allowed claim in any such proceeding.

Guaranty of Payment.

Each Guarantor, jointly and severally, hereby unconditionally and irrevocably guaranties the full and prompt payment and performance to Buyer and Collateral Agent, on behalf of itself and in its capacity as agent for the benefit of Buyer, when due upon demand, at maturity or by reason of acceleration or otherwise and at all times thereafter, of any and all of the Obligations.

Each Guarantor acknowledges that valuable consideration supports this Guaranty, including, without limitation, the consideration set forth in the recitals above, as well as any commitment to lend, extension of credit or other financial accommodation, whether heretofore or hereafter made by Buyer to the Company; any extension, renewal or replacement of any of the Obligations; any forbearance with respect to any of the Obligations or otherwise; any cancellation of an existing guaranty; any purchase of any of the Company's assets by Buyer or Collateral Agent; or any other valuable consideration.

Each Guarantor agrees that all payments under this Guaranty shall be made in United States currency and in the same manner as provided for the Obligations.

Notwithstanding any provision of this Guaranty to the contrary, it is intended that this Guaranty, and any interests, liens and security interests granted by Guarantors as security for this Guaranty, not constitute a "Fraudulent Conveyance" (as defined below) in the event that this Guaranty or such interest is subject to the Bankruptcy Code or any applicable fraudulent conveyance or fraudulent transfer law or similar law of any state. Consequently, Guarantors, Collateral Agent and Buyer agree that if this Guaranty, or any such interests, liens or security interests securing this Guaranty, would, but for the application of this sentence, constitute a Fraudulent Conveyance, this Guaranty and each such lien and security interest shall be valid and enforceable only to the maximum extent that would not cause this Guaranty or such interest, lien or security interest to constitute a Fraudulent Conveyance, and this Guaranty shall automatically be deemed to have been amended accordingly at all relevant times. For purposes hereof, "**Fraudulent Conveyance**" means a fraudulent conveyance under Section 548 of the Bankruptcy Code or a fraudulent conveyance or fraudulent transfer under the provisions of any applicable fraudulent conveyance or fraudulent transfer law or similar law of any state, as in effect from time to time.

Costs and Expenses. Each Guarantor, jointly and severally, agrees to pay on demand, all costs and expenses of every kind incurred by Buyer or Collateral Agent: (a) in enforcing this Guaranty, (b) in collecting any of the Obligations from the Company or any Guarantor, (c) in realizing upon or protecting or preserving any collateral for this Guaranty or for payment of any of the Obligations, and (d) in connection with any amendment of, modification to, waiver or forbearance granted under, or enforcement or administration of any Transaction Document or for any other purpose in connection with any Transaction Document, in each case, to the extent Buyer or Collateral Agent may take such action pursuant to the terms and conditions of this Agreement. "Costs and expenses**" as used in the preceding sentence shall include, without limitation, reasonable attorneys' fees incurred by Buyer or Collateral Agent in retaining legal counsel for advice, suit, appeal, any insolvency or other proceedings under the Bankruptcy Code or otherwise, or for any purpose specified in the preceding sentence.**

Nature of Guaranty: Continuing, Absolute and Unconditional.

This Guaranty is and is intended to be a continuing guaranty of payment of the Obligations, and not of collectibility, and is and is intended to be independent of and in addition to any other guaranty, indorsement, collateral or other agreement held by Buyer or Collateral Agent therefor or with respect thereto, whether or not furnished by a Guarantor. None of Buyer and Collateral Agent shall be required to prosecute collection, enforcement or other remedies against Company, any other Guarantor or guarantor of the Obligations or any other person or entity, or to enforce or resort to any of the Collateral or other rights or remedies pertaining thereto, before calling on a Guarantor for payment. The obligations of each Guarantor to repay the Obligations hereunder shall be unconditional. Each Guarantor shall have no right of subrogation with respect to any payments made by any Guarantor hereunder until the termination of this Guaranty in accordance with Section 8 below, and hereby waives any benefit of, and any right to participate in, any security or collateral given to Buyer to secure payment of the Obligations, and each Guarantor agrees that it will not take any action to enforce any obligations of the Company to such Guarantor prior to the Obligations being finally paid in full in cash, provided that, in the event of the bankruptcy or insolvency of the Company, to the extent the Obligations have not been finally paid in full in cash, Collateral Agent, for the benefit of itself and Buyer, and Buyer shall be entitled notwithstanding the foregoing, to file in the name of any Guarantor or in its own name a claim for any and all indebtedness owing to a Guarantor by the Company (exclusive of this Guaranty), vote such claim and to apply the proceeds of any such claim to the Obligations.

For the further security of Buyer and without in any way diminishing the liability of the Guarantors, following the occurrence of an Event of Default, all debts and liabilities, present or future of the Company to the Guarantors and all monies received from the Company or for its account by the Guarantors in respect thereof shall be received in trust for Buyer and Collateral Agent and promptly following receipt shall be paid over to Collateral Agent, for its benefit and in its capacity as collateral agent for the benefit of Buyer, until all of the Obligations have been paid in full in cash.

This Guaranty shall not be changed or affected by any representation, oral agreement, act or thing whatsoever, except as herein provided. This Guaranty is intended by the Guarantors to be the final, complete and exclusive expression of the guaranty agreement between the Guarantors and Buyer. No modification or amendment of any provision of this Guaranty shall be effective against any party hereto unless in writing and signed by a duly authorized officer of such party.

Each Guarantor hereby releases the Company from all, and agrees not to assert or enforce (whether by or in a legal or equitable proceeding or otherwise) any “claims” (as defined in Section 101(5) of the Bankruptcy Code), whether arising under any law, ordinance, rule, regulation, order, policy or other requirement of any domestic or foreign government or any instrumentality or agency thereof, having jurisdiction over the conduct of its business or assets or otherwise, to which the Guarantors are or would at any time be entitled by virtue of its obligations hereunder, any payment made pursuant hereto or the exercise by Buyer or Collateral Agent of its rights with respect to the Collateral, including any such claims to which such Guarantors may be entitled as a result of any right of subrogation, exoneration or reimbursement.

Certain Rights and Obligations.

Each Guarantor acknowledges and agrees that Buyer and Collateral Agent, for its benefit and as collateral agent for the benefit of Buyer, may, without notice, demand or any reservation of rights against such Guarantor and without affecting such Guarantor's obligations hereunder, from time to time:

renew, extend, increase, accelerate or otherwise change the time for payment of, the terms of or the interest on the Obligations or any part thereof or grant other indulgences to the Company or others;

accept from any person or entity and hold collateral for the payment of the Obligations or any part thereof, and modify, exchange, enforce or refrain from enforcing, or release, compromise, settle, waive, subordinate or surrender, with or without consideration, such collateral or any part thereof;

accept and hold any indorsement or guaranty of payment of the Obligations or any part thereof, and discharge, release or substitute any such obligation of any such indorser or guarantor, or discharge, release or compromise any Guarantor, or any other person or entity who has given any security interest in any collateral as security for the payment of the Obligations or any part thereof, or any other person or entity in any way obligated to pay the Obligations or any part thereof, and enforce or refrain from enforcing, or compromise or modify, the terms of any obligation of any such indorser, guarantor, or person or entity;

dispose of any and all collateral securing the Obligations in any commercially reasonable manner (to the extent required under applicable law) as the Collateral Agent, in its reasonable discretion may consider appropriate and direct the order or manner of such disposition and the enforcement of any and all endorsements and guaranties relating to the Obligations or any part thereof as Collateral Agent in its sole discretion may determine;

subject to the terms of the Notes, determine the manner, amount and time of application of payments and credits, if any, to be made on all or any part of any component or components of the Obligations (whether principal, interest, fees, costs, and expenses, or otherwise), including, without limitation, the application of payments received from any source to the payment of indebtedness other than the Obligations even though Buyer might lawfully have elected to apply such payments to the Obligations or to amounts which are not covered by this Guaranty; and

take advantage or refrain from taking advantage of any security or accept or make or refrain from accepting or making any compositions or arrangements when and in such manner as Collateral Agent, in its sole discretion, may deem appropriate;

and generally do or refrain from doing any act or thing which might otherwise, at law or in equity, release the liability of such Guarantor as a guarantor or surety in whole or in part, and in no case shall Buyer or Collateral Agent be responsible or shall any Guarantor be released either in whole or in part for any act or omission in connection with Buyer or Collateral Agent having sold any security at less than its value; provided any such sale was conducted in a commercially reasonable manner (to the extent required under applicable law).

Following the occurrence and during the continuance of an Event of Default, and upon demand by Collateral Agent, each Guarantor, jointly and severally, hereby agrees to pay the Obligations to the extent hereinafter provided and to the extent unpaid:

without deduction by reason of any setoff, defense (other than payment) or counterclaim of the Company or any other Guarantor;

without requiring presentment, protest or notice of nonpayment or notice of default to any Guarantor, to the Company or to any other person or entity;

without demand for payment or proof of such demand or filing of claims with a court in the event of receivership, bankruptcy or reorganization of the Company or any other Guarantor;

without requiring Buyer or Collateral Agent to resort first to the Company (this being a guaranty of payment and not of collection), to any other Guarantor, or to any other guaranty or any collateral which Buyer or Collateral Agent may hold;

without requiring notice of acceptance hereof or assent hereto by Buyer or Collateral Agent; and

without requiring notice that any of the Obligations has been incurred, extended or continued or of the reliance by Buyer or Collateral Agent upon this Guaranty;

all of which each Guarantor hereby waives.

Each Guarantor's obligation hereunder shall not be affected by any of the following, all of which such Guarantor hereby waives:

any failure to perfect or continue the perfection of any security interest in or other lien on any collateral securing payment of any of the Obligations or any Guarantor's obligation hereunder;

the invalidity, unenforceability, propriety of manner of enforcement of, or loss or change in priority of any document or any such security interest or other lien or guaranty of the Obligations;

any failure to protect, preserve or insure any such collateral;

failure of a Guarantor to receive notice of any intended disposition of such collateral;

any defense arising by reason of the cessation from any cause whatsoever of liability of the Company including, without limitation, any failure, negligence or omission by Buyer or Collateral Agent in enforcing its claims against the Company;

any release, settlement or compromise of any obligation of the Company, any other Guarantor or any other guarantor of the Obligations;

the invalidity or unenforceability of any of the Obligations;

any change of ownership of the Company, any other Guarantor or any other guarantor of the Obligations or the insolvency, bankruptcy or any other change in the legal status of the Company, any other Guarantor or any other guarantor of the Obligations;

any change in, or the imposition of, any law, decree, regulation or other governmental act which does or might impair, delay or in any way affect the validity, enforceability or the payment when due of the Obligations;

the existence of any claim, setoff or other rights which the Guarantor, Company, any other Guarantor or guarantor of the Obligations or any other person or entity may have at any time against Buyer, Collateral Agent or the Company in connection herewith or any unrelated transaction;

Buyer's or Collateral Agent's election in any case instituted under chapter 11 of the Bankruptcy Code, of the application of section 1111(b)(2) of the Bankruptcy Code;

any use of cash collateral, or grant of a security interest by the Company, as debtor in possession, under sections 363 or 364 of the Bankruptcy Code;

the disallowance of all or any portion of any of Buyer's or Collateral Agent's claims for repayment of the Obligations under sections 502 or 506 of the Bankruptcy Code;

any stay or extension of time for payment by the Company or any other Guarantor resulting from any proceeding under the Bankruptcy Code or any similar law; or

any other fact or circumstance which might otherwise constitute grounds at law or equity for the discharge or release of a Guarantor from its obligations hereunder, all whether or not such Guarantor shall have had notice or knowledge of any act or omission referred to in the foregoing clauses (i) through (xiv) of this Section 5(c).

Representations and Warranties. Each Guarantor further represents and warrants to Buyer and Collateral Agent that: (a) such Guarantor is a corporation or other entity duly incorporated or organized, as applicable, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation, as applicable, and has full power, authority and legal right to own its property and assets and to transact the business in which it is presently engaged; (b) such Guarantor has full power, authority and legal right to execute and deliver, and to perform its obligations under, this Guaranty, and has taken all necessary action to authorize the guarantee hereunder on the terms and conditions of this Guaranty and to authorize the execution, delivery and performance of this Guaranty; (c) this Guaranty has been duly executed and delivered by such Guarantor and constitutes a legal, valid and binding obligation of such Guarantor enforceable against such Guarantor in accordance with its terms, except to the extent that such enforceability is subject to applicable bankruptcy, insolvency, reorganization, fraudulent conveyance and moratorium laws and other laws of general application affecting enforcement of creditors' rights generally, or the availability of equitable remedies, which are subject to the discretion of the court before which an action may be brought; and (d) the execution, delivery and performance by each Guarantor of this Guaranty do not require any action by or in respect of, or filing with, any governmental body, agency or official and do not violate, conflict with or cause a breach or a default under any provision of (i) applicable law or regulation, (ii) the organizational

documents of any Guarantor, (iii) any judgment, injunction, order, decree or other instrument binding upon it, or (iv) any agreement binding upon it, to the extent, solely with respect to this clause (iv), such violation could not reasonably be expected to have a Material Adverse Effect.

Negative Covenants. **Each Guarantor covenants with Buyer and Collateral Agent that such Guarantor shall not grant any security interest in or permit any lien, claim or encumbrance upon any of its assets in favor of any person or entity other than liens and security interests in favor of Buyer and Collateral Agent and Permitted Liens.**

Termination. **This Guaranty shall not terminate until such time, if any, as (i) all Indebtedness under the Notes secured hereby shall be finally paid in full in cash, (ii) no Notes shall remain outstanding, (iii) all commitments to lend under the Exchange Agreement (including, without limitation, any and all commitments of Buyer to purchase Additional Notes) shall have terminated and (iv) there shall exist no other outstanding payment or reimbursement obligations (other than contingent indemnification obligations for which no claims shall have been asserted) of the Borrower or the Guarantors to the Collateral Agent under any of the Transaction Documents. Thereafter, but subject to the following, Collateral Agent, on its behalf and as agent for Buyer, shall take such action and execute such documents as the Guarantors may request (and at the Guarantors' cost and expense) in order to evidence the termination of this Guaranty. Each Guarantor further agrees that, to the extent that the Company makes a payment or payments to Buyer or Collateral Agent on the Obligations, or Buyer or Collateral Agent receive any proceeds of collateral securing the Obligations or any other payments with respect to the Obligations, which payment or receipt of proceeds or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be returned or repaid to the Company, its estate, trustee, receiver, debtor in possession or any other person or entity, including, without limitation, the Guarantors, under any insolvency or bankruptcy law, state or federal law, common law or equitable cause, then to the extent of such payment, return or repayment, the obligation or part thereof which has been paid, reduced or satisfied by such amount shall be reinstated and continued in full force and effect as of the date when such initial payment, reduction or satisfaction occurred, and this Guaranty shall continue in full force notwithstanding any contrary action which may have been taken by Buyer or Collateral Agent in reliance upon such payment, and any such contrary action so taken shall be without prejudice to Buyer's or Collateral Agent's rights under this Guaranty and shall be deemed to have been conditioned upon such payment having become final.**

Guaranty of Performance. Each Guarantor also guaranties the full, prompt and unconditional performance of all obligations and agreements of every kind owed or hereafter to be owed by the Company to Buyer and Collateral Agent under the Exchange Agreement, Registration Rights Agreement, the Warrants, Security Documents and the Notes. Every provision for the benefit of Buyer and Collateral Agent contained in this Guaranty shall apply to the guaranty of performance given in this paragraph.

Assumption of Liens and Obligations. To the extent that a Guarantor has received or shall hereafter receive distributions or transfers from the Company of property or cash that are subject, at the time of such contribution, to liens and security interests in favor of Buyer and/or the Collateral Agent in accordance with the Notes, the Security Agreement or any other Security Document, such Guarantor hereby expressly agrees that (i) it shall hold such assets subject to such liens and security interests, and (ii) it shall be liable for the payment of the Obligations secured thereby. Each Guarantor's obligations under this Section 10 shall be in addition to its obligations as set forth in other sections of this Guaranty and not in substitution therefor or in lieu thereof.

Miscellaneous.

The terms "Company" and "Guarantor" as used in this Guaranty shall include: (i) any successor individual or individuals, association, partnership, limited liability company or corporation to which all or substantially all of the business or assets of the Company or such Guarantor shall have been transferred and (ii) any other association, partnership, limited liability company, corporation or entity into or with which the Company or such Guarantor shall have been merged, consolidated, reorganized, or absorbed.

Without limiting any other right of Buyer or Collateral Agent, whenever Buyer or Collateral Agent has the right to declare any of the Obligations to be immediately due and payable (whether or not it has been so declared), Collateral Agent, on its behalf and in its capacity as agent for the benefit of Buyer, at its sole election without notice to the undersigned may appropriate and set off against the Obligations:

any and all indebtedness or other moneys due or to become due to any Guarantor by Buyer or Collateral Agent in any capacity; and

any credits or other property belonging to any Guarantor (including all account balances, whether provisional or final and whether or not collected or available) at any time held by or coming into the possession of Buyer or Collateral Agent, or any affiliate of Buyer or Collateral Agent, whether for deposit or otherwise;

whether or not the Obligations or the obligation to pay such moneys owed by Buyer or Collateral Agent is then due, and Buyer or Collateral Agent shall be deemed to have exercised such right of set off immediately at the time of such election even though any charge therefor is made or entered on Buyer's or Collateral Agent's records subsequent thereto. Collateral Agent agrees to notify such Guarantor in a reasonably practicable time of any such set-off; however, failure to so notify such Guarantor shall not affect the validity of any set-off.

No course of dealing between the Company or any Guarantor and Buyer or Collateral Agent and no act, delay or omission by Buyer or Collateral Agent in exercising any right or remedy hereunder or with respect to any of the Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Buyer or Collateral Agent may remedy any default by the Company under any agreement with the Company or with respect to any of the Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Company. All rights and remedies of Buyer and Collateral Agent hereunder are cumulative.

This Guaranty shall inure to the benefit of the parties hereto and their respective successors and assigns.

Collateral Agent may assign its rights hereunder without the consent of Guarantors, in which event such assignee shall be deemed to be Collateral Agent hereunder with respect to such assigned rights; provided such assignment shall not relieve the Collateral Agent of any liability it may have to the Guarantor.

Captions of the sections of this Guaranty are solely for the convenience of the parties hereto, and are not an aid in the interpretation of this Guaranty and do not constitute part of the agreement of the parties set forth herein.

If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

All questions concerning the construction, validity, enforcement and interpretation of this Guaranty shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. Each Guarantor hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each Guarantor hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. The parties hereto acknowledge that Buyer has executed each of the Transaction Documents to be executed by it in the State of New York.

Notices. All notices, approvals, requests, demands and other communications hereunder shall be delivered or made in the manner set forth in, and shall be effective in accordance with the terms of, the Exchange Agreement or, in the case of communications to the Collateral Agent, directed to the notice address set forth in the Security Agreement; provided, that any communication shall be effective as to any Guarantor if made or sent to the Company in accordance with the foregoing.

WAIVERS.

EACH GUARANTOR WAIVES THE BENEFIT OF ALL VALUATION, APPRAISAL AND EXEMPTION LAWS.

UPON THE OCCURRENCE OF A DEFAULT OR EVENT OF DEFAULT, EACH GUARANTOR HEREBY WAIVES ALL RIGHTS TO NOTICE AND HEARING OF ANY KIND PRIOR TO THE EXERCISE BY BUYER OR COLLATERAL AGENT, ON ITS BEHALF AND IN ITS CAPACITY AS AGENT FOR THE BENEFIT OF BUYER, OF ITS RIGHTS TO REPOSSESS THE COLLATERAL WITHOUT JUDICIAL PROCESS OR TO REPLEVY, ATTACH OR LEVY UPON THE COLLATERAL WITHOUT PRIOR NOTICE OR HEARING. EACH GUARANTOR ACKNOWLEDGES THAT IT HAS BEEN ADVISED BY COUNSEL OF ITS CHOICE WITH RESPECT TO THIS TRANSACTION AND THIS GUARANTY.

EACH GUARANTOR WAIVES ITS RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS GUARANTY, OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY BUYER OR COLLATERAL AGENT. EACH GUARANTOR AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, EACH GUARANTOR FURTHER AGREES THAT ITS RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS GUARANTY OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS GUARANTY.

Collateral Agent. The terms and provisions of Section 5.12 of the Security Agreement which set forth the appointment of the Collateral Agent and the indemnifications by Buyer to which the Collateral Agent is entitled are hereby incorporated by reference herein as if fully set forth therein.

Payments Free of Taxes.

Definitions. In this Section 14:

"**Excluded Taxes**" means, with respect to the Collateral Agent or Buyer, or any other recipient of any payment to be made by or on account of any obligations of any Guarantor under this Guaranty, or under any other Security Document, income or franchise taxes imposed on (or measured by) its net income by the United States of America or such other jurisdiction under the laws of which such recipient is organized or in which its principal office is located.

"**Governmental Authority**" means the government of the United States of America or any other nation, or any political subdivision thereof, whether state or local, or any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government over the Company or any of its Subsidiaries, or any of their respective properties, assets or undertakings.

"**Indemnified Taxes**" means Taxes other than Excluded Taxes.

"**Taxes**" means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

Any and all payments by or on account of any obligation of any of the Guarantors under this Guaranty or any other Security Document shall be made without any set-off, counterclaim or deduction and free and clear of and without deduction for any Indemnified Taxes; provided that if any Guarantor shall be required to deduct any Indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 14(b)), the Collateral Agent or Buyer, as applicable, receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Guarantor shall make such deductions and (iii) such Guarantor shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

Indemnification by the Guarantors. Each Guarantor shall indemnify the Collateral Agent and Buyer, within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes paid by the Collateral Agent or Buyer, as applicable, on or with respect to any payment by or on account of any obligation of such Guarantor under this Guaranty and the other Security Documents (including Indemnified Taxes or imposed or asserted on or attributable to amounts payable under this Section 14) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate of the Collateral Agent or Buyer as to the amount of such payment or liability under this Section 14 shall be delivered to such Guarantor and shall be conclusive absent manifest error.

Counterparts; Headings. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party; provided that a facsimile, .pdf or similar electronically transmitted signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original signature. The headings in this Agreement are for convenience of reference only and shall not alter or otherwise affect the meaning hereof.

IN WITNESS WHEREOF, Guarantors have executed this Guaranty as of the date first written above.

GUARANTORS:

Sonterra Oil & Gas, Inc. (f/k/a Sonterra Resources, Inc.), a Delaware corporation

By: /s/ Michael J. Pawelek

Name: Michael J. Pawelek

Title: President

Sonterra Operating, Inc., a Delaware corporation

By: /s/ Wayne A. Psencik

Name: Wayne A. Psencik

Title: President

[Signature Page to Guaranty]

EXHIBIT A

Form of Joinder
Joinder to Guaranty

The undersigned, [_____] a [_____], hereby joins in the execution of that certain Guaranty dated as of February 14, 2008 (the "**Guaranty**"), by each of **Sonterra Oil & Gas, Inc.** (f/k/a Sonterra Resources, Inc.**)**, a Delaware corporation, **Sonterra Operating, Inc.**, a Delaware corporation, and each other person or entity that becomes a Guarantor thereunder after the date and pursuant to the terms thereof, to and in favor of Viking Asset Management L.L.C., a California limited liability company, as collateral agent. By executing this Joinder, the undersigned hereby agrees that it is a Guarantor thereunder with the same force and effect as if originally named therein as a Guarantor. The undersigned agrees to be bound by all of the terms and provisions of the Guaranty and represents and warrants that the representations and warranties set forth in Section 6 of the Guaranty are, with respect to the undersigned, true and correct as of the date hereof. Each reference to a Guarantor in the Guaranty shall be deemed to include the undersigned.

In Witness Whereof, the undersigned has executed this Joinder this ___ day of _____, 200_.

_____

Exhibit 99.28

Joinder to Security Agreement

The undersigned, SONTERRA RESOURCES, INC., f/k/a RIVER CAPITAL GROUP, INC., a Delaware corporation, hereby joins in the execution of that certain Security Agreement dated as of July 9, 2007 (as amended by the First Amendment to Security Agreement, dated as of August 3, 2007, and as may be further amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Security Agreement**") by and between Sonterra Oil & Gas, Inc. (f/k/a Sonterra Resources, Inc.), a Delaware corporation, Buyer (as defined therein), and each other Person that becomes a Debtor thereunder after the date thereof and hereof and pursuant to the terms thereof, to and in favor of Viking Asset Management, LLC, in its capacity as Collateral Agent for Buyer. By executing this Joinder, the undersigned hereby agrees that it is a Debtor thereunder and agrees to be bound by all of the terms and provisions of the Security Agreement.

The undersigned represents and warrants to Secured Party that:

(a) all of the Equipment, Inventory and Goods owned by such Debtor is located at the places as specified on Schedule I and such Debtor conducts business in the jurisdiction set forth on Schedule I;

(b) except as disclosed on Schedule I, none of such Collateral is in the possession of any bailee, warehousemen, processor or consignee;

(c) the chief place of business, chief executive office and the office where such Debtor keeps its books and records are located at the place specified on Schedule I;

(d) such Debtor (including any Person acquired by such Debtor) does not do business or has not done business during the past five years under any tradename or fictitious business name, except as disclosed on Schedule II;

(e) all Copyrights, Patents and Trademarks owned or licensed by the undersigned are listed in Schedules III, IV and V, respectively;

(f) all Deposit Accounts, securities accounts, brokerage accounts and other similar accounts maintained by such Debtor, and the financial institutions at which such accounts are maintained, are listed on Schedule VI;

(g) all Commercial Tort Claims of such Debtor are listed on Schedule VII;

(h) all interests in real property and mining rights held by such Debtor are listed on Schedule VIII;

(i) all Equipment (including Motor Vehicles) owned by such debtor are listed on Schedule IX; and

(j) all other representations and warranties made by the Debtors in the Security Agreement are true, complete and correct in all respects as of the date hereof.

[Signature Page Follows]

SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.), a Delaware corporation

By: /s/ Howard Taylor

Name: Howard Taylor

Title: Chief Executive Officer

FEIN: 51-0392750

[Signature Page to Joinder to Security Agreement]

Exhibit 99.29

Joinder to Security Agreement

The undersigned, SONTERRA OPERATING, INC., a Delaware corporation, hereby joins in the execution of that certain Security Agreement dated as of July 9, 2007 (as amended by the First Amendment to Security Agreement, dated as of August 3, 2007, and as may be further amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Security Agreement**") by and between Sonterra Oil & Gas, Inc. (f/k/a Sonterra Resources, Inc.), a Delaware corporation, Buyer (as defined therein), and each other Person that becomes a Debtor thereunder after the date thereof and hereof and pursuant to the terms thereof, to and in favor of Viking Asset Management, LLC, in its capacity as Collateral Agent for Buyer. By executing this Joinder, the undersigned hereby agrees that it is a Debtor thereunder and agrees to be bound by all of the terms and provisions of the Security Agreement.

The undersigned represents and warrants to Secured Party that:

(a) all of the Equipment, Inventory and Goods owned by such Debtor is located at the places as specified on Schedule I and such Debtor conducts business in the jurisdiction set forth on Schedule I;

(b) except as disclosed on Schedule I, none of such Collateral is in the possession of any bailee, warehousemen, processor or consignee;

(c) the chief place of business, chief executive office and the office where such Debtor keeps its books and records are located at the place specified on Schedule I;

(d) such Debtor (including any Person acquired by such Debtor) does not do business or has not done business during the past five years under any tradename or fictitious business name, except as disclosed on Schedule II;

(e) all Copyrights, Patents and Trademarks owned or licensed by the undersigned are listed in Schedules III, IV and V, respectively;

(f) all Deposit Accounts, securities accounts, brokerage accounts and other similar accounts maintained by such Debtor, and the financial institutions at which such accounts are maintained, are listed on Schedule VI;

(g) all Commercial Tort Claims of such Debtor are listed on Schedule VII;

(h) all interests in real property and mining rights held by such Debtor are listed on Schedule VIII;

(i) all Equipment (including Motor Vehicles) owned by such debtor are listed on Schedule IX; and

(j) all other representations and warranties made by the Debtors in the Security Agreement are true, complete and correct in all respects as of the date hereof.

[Signature Page Follows]

SONTERRA OPERATING, INC., a Delaware corporation

By: /s/ Wayne A. Psencik

Name: Wayne A. Psencik

Title: President

FEIN: 26-0888425

[Signature Page to Joinder to Security Agreement - Sonterra Operating, Inc.]

FIRST AMENDMENT TO
MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT

FROM

SONTERRA RESOURCES, INC., a Delaware corporation

TO

WALTER H. WALNE, III, AS TRUSTEE

FOR THE BENEFIT OF

VIKING ASSET MANAGEMENT, LLC

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

A CARBON, PHOTOGRAPHIC, FACSIMILE OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

PORTIONS OF THE MORTGAGED PROPERTY ARE GOODS WHICH ARE OR ARE TO BECOME AFFIXED TO OR FIXTURES ON THE LAND DESCRIBED IN OR REFERRED TO IN EXHIBIT A HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD OR RECORDED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF EACH COUNTY IN WHICH SAID LAND OR ANY PORTION THEREOF IS LOCATED. THE MORTGAGOR IS THE OWNER OF RECORD INTEREST IN THE REAL ESTATE CONCERNED. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS.

FIRST AMENDMENT TO
MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT

THIS FIRST AMENDMENT TO MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (this "**Amendment**") is made as of the 29th day of August, 2007, by SONTERRA RESOURCES, INC., a Delaware corporation, whose address for notice is 300 East Sonterra Boulevard, Suite 1220, San Antonio, Texas to WALTER H. WALNE, III, as Trustee, whose address for notice is 17 South Briar Hollow, Houston, Texas 77027 ("Trustee"), for the benefit of **VIKING ASSET MANAGEMENT, LLC**, a California limited liability company, 600 Montgomery Street, 44th Floor, San Francisco, CA 94111, on its own behalf and in its capacity as collateral agent for the benefit of the holders of the Notes (as defined in the Mortgage described below) (together with its successors and assigns, the "Mortgagee"). Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Mortgage describe below.

R E C I T A L S

A. Mortgagor has previously executed and delivered in favor of Mortgagee a certain Mortgage, Deed of Trust, Assignment of Production, Security Agreement, Fixture Filing and Financing Statement made as of August 3, 2007, and recorded on August 10, 2007 in the office of the County Clerk in Calhoun County, Texas as Instrument #107284 and on August 14, 2007 in the office of the County Clerk in Matagorda County, Texas as Instrument #03500175898001, Year 2007, No. 076321 (the "**Mortgage**"), which Mortgage encumbers Mortgagor's interest in the land legally described on Exhibit A attached hereto (the "**Land**"), in addition to various other real and personal property pledged to the Mortgagee as more fully described in the Mortgage.

B. Mortgagor and Mortgagee have agreed to modify the Mortgage upon the terms and conditions contained herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and legal sufficiency whereof are hereby acknowledged, the parties hereby agree as follows:

Recitals**.**

The Recitals set forth above are incorporated herein by this reference thereto as if fully set forth herein.

Amendment of Mortgage**.**

Effective as of the date hereof, Exhibit A of the Mortgage is hereby amended in its entirety and as so amended shall read as set forth on Exhibit A hereto

No Further Amendment**.**

This Amendment is given solely to amend and modify the Mortgage as set forth herein. No further amendment or modification of the Mortgage is made or intended, and the respective terms and provisions thereof shall, as expressly amended and modified hereby, continue in full force and effect after the date hereof. The warranties, representations, covenants and agreements contained in the Mortgage as herein expressly amended, are hereby ratified, approved and confirmed in every respect. Mortgagor also hereby **(i)** expressly ratifies and confirms, as of the date of the Mortgage and as of the date hereof, the grant by Mortgagor of the lien on the Land and all of the other property and interests in property created or intended to be created by the Mortgage, in each case as amended and modified hereby and **(ii)** represents and warrants that Mortgagor has not created or suffered or permitted to exist any other lien upon or in any such property or interests in property subsequent to the execution and delivery of the Mortgage, other than as expressly permitted pursuant to the terms and provisions thereof. Mortgagor has no claims, claims of offset or causes of action against Mortgagee, and no defenses to its performance of all Indebtedness (as such term is defined in the Mortgage after giving effect to this Amendment).

No Release**.**

The indebtedness, liabilities and other obligations secured by the Mortgage are continuing obligations and nothing contained herein shall be deemed to release, terminate or subordinate any lien created or evidenced thereby and all such liens and the priority thereof shall relate back to the recordation date for the Mortgage as referenced herein. This Amendment is not intended and shall not be deemed or construed to in any way affect the enforceability or priority of the Mortgage or constitute a novation, termination or replacement of all or any part of the indebtedness, liabilities or other obligations secured thereby.

Governing Law; Severability**.**

This Amendment shall be governed by and construed in accordance with the laws of the State of New York. The invalidity, illegality or unenforceability of any provision of this Amendment shall not affect or impair the validity, legality or enforceability of the remainder of this Amendment or the Mortgage, and to this end, the provisions of this Amendment are declared to be severable.

IN WITNESS WHEREOF, Mortgagor and Mortgagee have each executed this Amendment on the date set forth in their respective acknowledgments hereto, to be effective as of the date first above written.

MORTGAGOR:

SONTERRA RESOURCES, INC., a Delaware corporation

By: /s/ Michael J. Pawelek

Name: Michael J. Pawelek

Title: President

MORTGAGEE:

VIKING ASSET MANAGEMENT, LLC, a California limited liability company

By: S. Michael Rudolph

Name: S. Michael Rudolph

Title: Chief Financial Officer

EXHIBIT A

Property Descriptions

Property Description (Cinco)

Shark Prospect

1. Oil and Gas Lease dated July 1, 2003, from the State of Texas, as Lessor, to Cinco Natural Resources Corporation, as Lessee, covering Oil and Gas Lease No. M-103194, being the south one-half (S/2) of State Tract 150, Matagorda Bay, Calhoun County, Texas, containing approximately 320.0 acres, recorded in File No. 82095, Volume 349, Page 1 of the Official Records of Calhoun County, Texas.

Lease Interest:

Surface down to 9400' true vertical depth as seen in the Cockrell Corporation - Aquamarine Unit Well No. 1 (API No. 42-057-31600).

37.80% WI / 29.862% NRI

Rights between 9401' and 50' below the stratigraphic equivalent of the top of the 9800' Sand, said top of the 9800' Sand being equal to 9790' TVD as seen on the electric log for the Cockrell Corporation - Aquamarine Unit Well No. 1 (API No. 42-057-31600).

30.30% WI / 23.55825% NRI

Rights below 50' below the stratigraphic equivalent of the top o the 9800' Sand, said top of the 9800' Sand being equal to 9790' TVD as seen on the electric log for the Cockrell Corporation - Aquamarine Unit Well No. 1 (API No. 42-057-31600).

30.30% WI / 23.331% NRI

Well Interest:

Flash - State Tract 150 No. 1: 37.80% WI / 29.862% NRI

BOSS - State Tract 150 No. 2: 36.708% WI BPO / 28.54047% NRI BPO / 30.30% WI APO / 23.55825% NRI APO

Ray Prospect

2. Oil and Gas Lease dated October 19, 2004, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Natural Resources Corporation, as Lessee, covering Oil and Gas Lease Number M-104265, being the South One-Half (S/2) of Tract 175, Matagorda Bay, Matagorda and Calhoun Counties, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Matagorda County, Texas, as File No. 050427, and recorded in the Official Records of Calhoun County, Texas, as File No. 91879, Volume 400, Page 525.

Lease Interest: 30.30% WI / 23.55825% NRI

3. Oil and Gas Lease dated October 19, 2004, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Natural Resources Corporation, as Lessee, covering Oil and Gas Lease Number M-104266, being the South One-Half (S/2) of Tract 178, Matagorda Bay, Matagorda County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Matagorda County, Texas, as File No. 050428.

Lease Interest: 30.30% WI / 23.55825% NRI

4. Oil and Gas Lease dated October 19, 2004, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Natural Resources Corporation, as Lessee, covering Oil and Gas Lease Number M-104267, being the North One-Half (N/2) of Tract 179, Matagorda Bay, Matagorda County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Matagorda County, Texas, as File No. 050429.

Lease Interest: 30.30% WI / 23.55825% NRI

Starfish Prospect

5. Oil and Gas Lease dated April 5, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Energy Corporation, as Lessee, covering Oil and Gas Lease Number M-104829, being the South One-Half (S/2) of Tract 96, Matagorda Bay, Calhoun County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 92724, Volume 406, Page 35.

Lease Interest: 30.30% WI / 23.1795% NRI

6. Oil and Gas Lease dated July 19, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Resources, Inc., as Lessee, covering Oil and Gas Lease Number M-105371, being the North One-Half (N/2) of Tract 104, Matagorda Bay, Calhoun County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 96377, Volume 426, Page 912.

Lease Interest: 30.30% WI / 23.1795% NRI

Barracuda Prospect

7. Oil and Gas Lease dated April 5, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Energy Corporation, as Lessee, covering Oil and Gas Lease Number M-104827, being the North One-Half (N/2) of Tract 94, Matagorda Bay, Calhoun County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 92722, Volume 406, Page 21.

Lease Interest: 30.30% WI / 23.1795% NRI

8. Oil and Gas Lease dated April 5, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Energy Corporation, as Lessee, covering Oil and Gas Lease Number M-104828, being the South One-Half (S/2) of Tract 94, Matagorda Bay, Calhoun County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 92723, Volume 406, Page 28.

Lease Interest: 30.30% WI / 23.1795% NRI

Mackerel Prospect

9. Oil and Gas Lease dated July 19, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Resources, Inc., as Lessee, covering Oil and Gas Lease Number M-105373, being the North One-Half (N/2) of Tract 175, Matagorda Bay, Calhoun and Matagorda Counties, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 96378, Volume 426, Page 919, and recorded in the Official Records of Matagorda County, Texas, as File No. 063722.

Lease Interest: 30.30% WI / 23.1795% NRI

10. Oil and Gas Lease dated October 4, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Resources, Inc., as Lessee, covering Oil and Gas Lease Number M-105679, being the North One-Half (N/2) of Tract 178, Matagorda Bay, Matagorda County, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Matagorda County, Texas, as File No. 059741.

Lease Interest: 30.30% WI / 23.1795% NRI

11. Oil and Gas Lease dated October 4, 2005, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Resources, Inc., as Lessee, covering Oil and Gas Lease Number M-105678, being the South One-Half (S/2) of Tract 176, Matagorda Bay, Calhoun and Matagorda Counties, Texas, containing approximately 320 acres as shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 96971, Volume 429, Page 918, and recorded in the Official Records of Matagorda County, Texas, as File No. 059740.

Lease Interest: 30.30% WI / 23.1795% NRI

Property Description (Flash)

1. All of Flash Gas & Oil Southwest, Inc.'s undivided leasehold interest, being 35.00% working interest and 27.65% net revenue interest in and to Oil and Gas Lease dated July 1, 2003, from the State of Texas, by and through the Commissioner of the General Land office of the State of Texas, as Lessor, to Cinco Natural Resources Corporation, as Lessee, covering Oil and Gas Lease Number M-103194, being the South One-Half (S/2) of Tract 150, Matagorda Bay, Calhoun County, Texas, containing approximately 320 acres, *INSOFAR AND ONLY INSOFAR* as to rights from the surface down to 9,400' true vertical depth, as seen in the Cockerell Corporation-Aquamarine Unit Well No. 1, which tract is shown on the applicable Official Submerged Area Map on file in the Texas General Land Office, Austin, Texas, and recorded in the Official Records of Calhoun County, Texas, as File No. 82095, Volume 349, Page 1, INCLUDING the following producing well bores:

a. State Tract 150 No. 1 Well, API No. 42-057-31600, and any production therefrom, together with a like interest in and to all personal property and equipment located thereon or used in connection therewith, which well is currently producing in the 9100' sand; and

b. State Tract 150 No. 2 Well, *insofar only* as rights above the stratigraphic equivalent of 9,400 feet TVD, as seen in the Cockrell Corporation-Aquamarine Unit Well No. 1, API #42-057-31600-00.

2. All of Flash Gas & Oil Southwest, Inc.'s undivided 100.0% interest in and to the seven (7) mile six-inch (6") S80 Gr B pipeline connecting Matagorda Bay, Calhoun County, Texas State Tract 150 No. 1 line heater platform to the Keller Bay Facility onshore, which is more specifically described in Exhibit A-1.

3. Miscellaneous Easement No. ME20010086 dated August 1, 2001, ending July 31, 2011, from the State of Texas to Millennium Pipeline, LLC d/b/a Millennium Energy LLC, recorded in File #0070093, Volume 286, page 887, Official Public Records of Calhoun County, Texas, for 6" pipeline across State Tracts 100, 123, 124, 126, 127 and 150, being 1073.59 rods long and 30 feet wide with 15 feet either side of a center line.

4. Miscellaneous Easement No. ME20040057 dated April 1, 2004, ending March 31, 2014, from the State of Texas to Flash Gas & Oil Southwest, Inc., recorded in File #00087233, Volume 376, page 275, Official Public Records of Calhoun County, Texas, for subsurface easement across State Tract 150, being 35.5 rods long and 30 feet wide with 15 feet either side of a center line.

5. Pipeline Easement Agreement dated effective July 27, 2001, from Margaret S. Moss and Associates to Millennium Pipeline, LLC d/b/a Millennium Energy LLC, a Memorandum of which is recorded in Volume 285, page 297, Official Public Records of Calhoun County, Texas.

6. Gas Pipeline Easement and Right-of-Way Agreement dated effective June 20, 2001, from W. H. Bauer, Jr. to Millennium Pipeline, LLC d/b/a Millennium Energy LLC, a Memorandum of which is recorded in Volume 284, page 743, Official Public Records of Calhoun County, Texas.

SECOND AMENDMENT TO
MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT

FROM

SONTERRA OIL & GAS, INC. (f/k/a SONTERRA RESOURCES, INC.), a Delaware corporation

TO
WALTER H. WALNE, III, AS TRUSTEE

FOR THE BENEFIT OF

VIKING ASSET MANAGEMENT, LLC

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

A CARBON, PHOTOGRAPHIC, FACSIMILE OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

PORTIONS OF THE MORTGAGED PROPERTY ARE GOODS WHICH ARE OR ARE TO BECOME AFFIXED TO OR FIXTURES ON THE LAND DESCRIBED IN OR REFERRED TO IN EXHIBIT A HERETO. THIS FINANCING STATEMENT IS TO BE FILED FOR RECORD OR RECORDED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR SIMILAR RECORDS OF EACH COUNTY IN WHICH SAID LAND OR ANY PORTION THEREOF IS LOCATED. THE MORTGAGOR IS THE OWNER OF RECORD INTEREST IN THE REAL ESTATE CONCERNED. THIS INSTRUMENT IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS.

SECOND AMENDMENT TO
MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT

THIS SECOND AMENDMENT TO MORTGAGE, DEED OF TRUST, ASSIGNMENT OF PRODUCTION, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (this "**Amendment**") is made as of the 14th day of February 2008, by SONTERRA OIL & GAS, INC. (f/k/a SONTERRA RESOURCES, INC.), a Delaware corporation, whose address for notice is 300 East Sonterra Boulevard, Suite 1220, San Antonio, Texas 78258 to **WALTER H. WALNE, III**, as Trustee, whose address for notice is 17 South Briar Hollow, Houston, Texas 77027 ("Trustee"), for the benefit of **VIKING ASSET MANAGEMENT, LLC**, a California limited liability company, 600 Montgomery Street, 44th Floor, San Francisco, CA 94111, on its own behalf and in its capacity as collateral agent for the benefit of the holders of the Notes (as defined in the Mortgage described below) (together with its successors and assigns, the "Mortgagee"). Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Mortgage describe below.

R E C I T A L S

A. Mortgagor has previously executed and delivered in favor of Mortgagee a certain Mortgage, Deed of Trust, Assignment of Production, Security Agreement, Fixture Filing and Financing Statement made as of August 3, 2007, and recorded on August 10, 2007 in the office of the County Clerk in Calhoun County, Texas as Instrument #107284 and on August 14, 2007 in the office of the County Clerk in Matagorda County, Texas as Instrument #03500175898001, Year 2007, No. 076321, as amended by that certain First Amendment to Mortgage, Deed of Trust, Assignment of Production, Security Agreement, Fixture Filing and Financing Statement made as of August 29, 2007 and recorded on September 6, 2007 in the office of the County Clerk in Calhoun County, Texas as Instrument # 107792 and on September 18, 2007 in the office of the County Clerk in Matagorda County, Texas as Instrument 03500176874001, Year 2007, No. 077293 (as the same may be further amended, restated, supplemented or otherwise modified from time to time, the "**Mortgage**"), which Mortgage encumbers Mortgagor's interest in the land legally described on Exhibit A attached hereto (the "**Land**"), in addition to various other real and personal property pledged to the Mortgagee as more fully described in the Mortgage.

B. Mortgagor and Mortgagee have agreed to modify the Mortgage upon the terms and conditions contained herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and legal sufficiency whereof are hereby acknowledged, the parties hereby agree as follows:

Recitals**.**

The Recitals set forth above are incorporated herein by this reference thereto as if fully set forth herein.

Amendment of Mortgage**.**

Effective as of the date hereof, Section 1.03 of the Mortgage is hereby amended by adding a clause (e) thereto to read as follows:

"(e) Payment of and performance of any and all indebtedness, obligations and liabilities of Mortgagor pursuant to that certain Guaranty, dated as of February 14, 2008, among Mortgagor, the other Persons from time to time thereto and Mortgagee."

(b) Effective as of the date hereof, the Mortgage is hereby amended by deleting each reference to the words "Sonterra Resources, Inc." and in each case substituting therefor the words "Sonterra Oil & Gas, Inc."

No Further Amendment**.**

This Amendment is given solely to amend and modify the Mortgage as set forth herein. No further amendment or modification of the Mortgage is made or intended, and the respective terms and provisions thereof shall, as expressly amended and modified hereby, continue in full force and effect after the date hereof. The warranties, representations, covenants and agreements contained in the Mortgage as herein expressly amended, are hereby ratified, approved and confirmed in every respect. Mortgagor also hereby **(i)** agrees that, from and after the date of this Amendment, each reference in the Mortgage to the term "Indebtedness" shall mean and be a reference to such term as defined in the Section 1.03 of the Mortgage, as such Section 1.03 is amended pursuant to **Section 2** of this Amendment, **(ii)** expressly ratifies and confirms, as of the date of the Mortgage and as of the date hereof, the grant by Mortgagor of the lien on the Land and all of the other property and interests in property created or intended to be created by the Mortgage, in each case as amended and modified hereby and **(iii)** represents and warrants that Mortgagor has not created or suffered or permitted to exist any other lien upon or in any such property or interests in property subsequent to the execution and delivery of the Mortgage, other than as expressly permitted pursuant to the terms and provisions thereof. Mortgagor has no claims, claims of offset or causes of action against Mortgagee, and no defenses to its performance of all Indebtedness (as such term is defined in the Mortgage after giving effect to this Amendment).

No Release**.**

The indebtedness, liabilities and other obligations secured by the Mortgage are continuing obligations and nothing contained herein shall be deemed to release, terminate or subordinate any lien created or evidenced thereby and all such liens and the priority thereof shall relate back to the recordation date for the Mortgage as referenced herein. This Amendment is not intended and shall not be deemed or construed to in any way affect the enforceability or priority of the Mortgage or constitute a novation, termination or replacement of all or any part of the indebtedness, liabilities or other obligations secured thereby.

Governing Law; Severability**.**

This Amendment shall be governed by and construed in accordance with the laws of the State of New York. The invalidity, illegality or unenforceability of any provision of this Amendment shall not affect or impair the validity, legality or enforceability of the remainder of this Amendment or the Mortgage, and to this end, the provisions of this Amendment are declared to be severable.

[Remainder of page intentionally left blank;
Signature page follows]

IN WITNESS WHEREOF, Mortgagor has executed this Amendment on the date set forth in the acknowledgments hereto, to be effective as of the date first above written.

MORTGAGOR:

SONTERRA OIL & GAS, INC. (f/k/a SONTERRA RESOURCES, INC.), a Delaware corporation

By: /s/ Michael J. Pawelek

Name: Michael J. Pawelek

Title: President

[Signature Page to Second Amendment to Mortgage]

EXHIBIT A

Property Descriptions

[See Exhibit A to First Amendment]

Exhibit 99.31

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT, made as of February 14, 2008 (this "**Agreement**"), is between **SONTERRA RESOURCES, INC.** (f/k/a River Capital Group, Inc.), a Delaware corporation ("**Pledgor**"), and **VIKING ASSET MANAGEMENT LLC,** a California limited liability company, in its capacity as collateral agent for Buyer identified below (in such capacity, together with its successors and assigns, the "**Pledgee**").

WHEREAS:

A. Sonterra Oil & Gas, Inc. (f/k/a Sonterra Resources, Inc.), a Delaware corporation ("**Sonterra**"), The Longview Fund, L.P., a California limited partnership ("**Buyer**") and certain officers of Sonterra are parties to that certain Amended and Restated Securities Purchase Agreement, dated effective as of July 9, 2007 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Purchase Agreement**"), pursuant to which Buyer purchased (i) 333 shares (the "**New Sonterra Shares**") of common stock, no par value, of Sonterra ("**Sonterra Common Stock**"); for an aggregate amount of $9,990, which shares constitute 100% of the issued and outstanding Capital Stock of Sonterra, and (ii) a senior secured note of Sonterra in the initial principal amount of $322,500 (the "**Deposit Note**").

B. Contemporaneously with the execution and delivery of that certain Securities Exchange and Additional Note Purchase Agreement between Pledgor and Buyer, dated as of August 3, 2007 (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "**Exchange Agreement**"), the transactions contemplated by the Purchase Agreement to occur at the Equity Closing (as defined in the Purchase Agreement) and the transactions contemplated by the Cinco Purchase Agreement were consummated; without limiting the foregoing, pursuant to the Purchase Agreement, Buyer purchased from Sonterra a senior secured note of Sonterra in the initial principal amount of $5,990,010 (of which $322,500 represented refinancing of the Deposit Note, which was then being surrendered to Sonterra) (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Equity Note**") and a warrant to purchase 50 shares of Sonterra Common Stock (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Warrants**").

C. At the Flash Acquisition Closing (as defined in the Purchase Agreement), the transactions contemplated by the Purchase Agreement to occur at the Flash Acquisition Closing and the transactions contemplated by the Flash Purchase Agreement were consummated subject to the terms and conditions of the Purchase Agreement; without limiting the foregoing, pursuant to the Purchase Agreement, at the Flash Acquisition Closing Buyer purchased an additional senior secured note of Sonterra in the initial principal amount of $2,000,000 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Non-Equity Note**").

D. At the Exchange Closing, subject to the terms and conditions thereof, Buyer (i) is exchanging all of its Sonterra Common Stock and the Sonterra Equity Note for common stock of Pledgor, par value $0.001 per share (the common stock of Pledgor being referred to herein as "**RCGI Common Stock**"; and any shares thereof being referred to herein as "**RCGI Common Shares**") (the RCGI Common Shares received by Buyer in such exchange being referred to as the "**New RCGI Common Shares**"), (ii) is exchanging the Sonterra Warrant for a warrant (such warrant, together with any warrants or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified and in effect from time to time, the "**RCGI Warrant**") to purchase RCGI Common Shares (subject to adjustment to reflect the Reverse Stock Split and any other stock split, stock dividend, stock combination or similar transaction after the date thereof) (the "**Warrant Shares**"), which RCGI Warrant shall have a term of five years and be exercisable into the Warrant Shares at a price per Warrant Share (the "**Warrant Exercise Price**") equal to 110% of the quotient of $6,000,000 divided by the number of New RCGI Common Shares issued to Buyer at the Exchange Closing; and (iii) is exchanging the Sonterra Non-Equity Note, if issued, for a senior secured note of Pledgor in an initial principal amount equal to the principal amount owing under the Sonterra Non-Equity Note on the Exchange Closing Date (such note, together with any promissory notes or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified from time to time, the "**Initial RCGI Note**").

E. Subject to the terms and conditions set forth in the Exchange Agreement, during the Additional Note Issuance Period (as defined therein), Pledgor will have the option to sell, and if Pledgor exercises such option Buyer shall be obligated to purchase, additional senior secured notes (including any promissory notes or other securities issued in exchange or substitution for such senior secured notes or replacement thereof, and as any of the same may be amended, restated, modified or supplemented and in effect from time to time, the "**Additional RCGI Notes**"; and, collectively with the Initial RCGI Note, the "**Notes**"), each with a maturity date of August 31, 2010, in an original aggregate principal amount of up to the result of $10,000,000 minus the original principal amount of the Initial RCGI Note.

F. The Pledgor legally and beneficially owns one hundred percent (100%) of the issued and outstanding shares of Capital Stock of Sonterra (Sonterra and any other corporation or other entity, the stock or other equity interests and securities of which are owned or acquired by Pledgor and described on an addendum hereto from time to time executed by Pledgor in form and substance satisfactory to Pledgee, is referred to herein as a "**Pledge Entity**" and collectively as the "**Pledge Entities**"; provided that the parties hereto agree that, as of the date hereof, Sonterra is the only Pledged Entity).

G. Pursuant to a Joinder to Security Agreement dated as of the date hereof, Pledgor has become a party to and a "Debtor" under that certain Security Agreement dated July 9, 2007 between Sonterra and Pledgee (as amended by that certain First Amendment to Security Agreement dated as of the date hereof between Sonterra and Pledgee, and as the same may be further amended, restated, modified or supplement and in effect from time to time, the "**Security Agreement**"), and Pledgor has granted Pledgee, for the benefit of Buyer, a first priority security interest in, lien upon and pledge of its rights in the Pledgor's Collateral (as defined in the Security Agreement).

H. To induce Buyer to make the Loans, and in order to secure the payment and performance by Pledgor of the Liabilities (as defined in the Security Agreement), Pledgor has agreed to pledge to Pledgee all of the capital stock and other equity interests and securities of the Pledge Entities now or hereafter owned or acquired by Pledgor to secure the Liabilities (as defined in the Security Agreement).

NOW, THEREFORE, in consideration of the premises and in order to induce Buyer to purchase the Notes under the Exchange Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor hereby agrees with Pledgee as follows:

II. **Defined Terms. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given them in the Exchange Agreement.**

III. **Pledge.**

A. Pledgor hereby pledges, assigns, hypothecates, delivers and grants to Pledgee, for the benefit of itself and Buyer, a first lien on and first priority perfected security interest in (i) all of the Capital Stock or other equity interests of the Pledge Entities now owned or hereafter acquired by Pledgor (collectively, the "**Pledged Shares**"), (ii) all other property hereafter delivered to, or in the possession or in the custody of, Pledgee, in substitution for or in addition to the Pledged Shares, (iii) any other property of Pledgor described in Section 4 below or otherwise, whether now or hereafter delivered to, or in the possession or custody of Pledgor, and (iv) all proceeds of the collateral described in the preceding clauses (i), (ii) and (iii) (the collateral described in clauses (i) through (iv) of this Section 2 being collectively referred to as the "**Pledged Collateral**"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Liabili-ties (as defined in the Security Agreement). All of the Pledged Shares now owned by Pledgor which are presently represented by certificates are listed on Exhibit A hereto, which certificates, with undated assignments separate from certificates or stock powers duly executed in blank by Pledgor and irrevocable proxies, are being delivered to Pledgee simultaneously herewith. Upon the creation or acquisition of any new Pledged Shares, Pledgor shall execute an Addendum in the form of Exhibit B attached hereto (a "**Pledge Addendum**"). Any Pledged Collateral described in a Pledge Addendum executed by Pledgor shall thereafter be deemed to be listed on Exhibit A hereto. Pledgee shall maintain possession and custody of the certificates representing the Pledged Shares and any additional Pledged Collateral.

B. Pledgor shall cause each Pledged Share consisting of either (i) a membership interest in a Person that is a limited liability company or (ii) a partnership interest in a Person that is a partnership (if any) to be "securities" governed by Article 8 of the UCC at all times. Pledgor shall cause the applicable Persons to issue certificates evidencing such membership interests or partnership interests (if any) to Pledgor. Pledgor shall not cause and shall not permit any Pledged Entity which is not a corporation to "opt-out" of Article 8 of the UCC. Pledgor shall not take, and shall not permit any Pledged Entity which is not a corporation to take, any actions to cause the capital stock, membership interests, partnership interests or similar equity interests of such Pledged Entity to cease to be classified as "securities" governed by Article 8 of the UCC.

IV. **Representations and Warranties of Pledgor. Pledgor represents and warrants to Pledgee, and covenants with Pledgee, that:**

A. Exhibit A sets forth (i) the authorized capital stock or other equity interests of each Pledge Entity, (ii) the number of shares of capital stock or other equity interests of each Pledge Entity that are issued and outstanding as of the date hereof, and (iii) the percentage of the issued and outstanding shares of capital stock or other equity interests of each Pledge Entity held by Pledgor. Pledgor is the record and beneficial owner of, and has good and marketable title to, the Pledged Shares, and such shares are and will remain free and clear of all pledges, liens, security interests and other encumbrances and restrictions whatsoever, except the liens and security interests in favor of Pledgee created by this Agreement;

B. Except as set forth on Exhibit A, there are no outstanding options, warrants or other similar agreements with respect to the Pledged Shares or any of the other Pledged Collateral;

C. this Agreement is the legal, valid and binding obligation of Pledgor, enforceable against Pledgor in accordance with its terms except to the extent that such enforceability is subject to applicable bankruptcy, insolvency, reorganization, fraudulent conveyance and moratorium laws and other laws of general application affecting enforcement of creditors' rights generally, or the availability of equitable remedies, which are subject to the discretion of the court before which an action may be brought;

D. the Pledged Shares have been duly and validly authorized and issued, are fully paid and non-assessable, and the Pledged Shares listed on Exhibit A constitute all of the issued and outstanding capital stock or other equity interests of the Pledge Entities;

E. no consent, approval or authorization of or designation or filing with any governmental or regulatory authority on the part of Pledgor is required in connection with the pledge and security interest granted under this Agreement;

F. the execution, delivery and performance of this Agreement will not violate any provision of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, which are applicable to Pledgor, or of the articles or certificate of incorporation, bylaws or any other similar organizational documents of Pledgor or any Pledge Entity or of any securities issued by Pledgor or any Pledge Entity or of any mortgage, indenture, lease, contract, or other agreement, instrument or undertaking to which Pledgor or any Pledge Entity is a party or which is binding upon Pledgor or any Pledge Entity or upon any of the assets of Pledgor or any Pledge Entity, and will not result in the creation or imposition of any lien, charge or encumbrance on or security interest in any of the assets of Pledgor or any Pledge Entity, except as otherwise contemplated by this Agreement;

G. assuming the Pledgee retains control of and holds all certificates and executed stock powers for the Pledged Shares and the Pledged Collateral, the pledge, assignment and delivery of the Pledged Shares and the other Pledged Collateral pursuant to this Agreement creates a valid first lien on and perfected first priority security interest in such Pledged Shares and Pledged Collateral and the proceeds thereof in favor of Pledgee, subject to no prior pledge, lien, mortgage, hypothecation, security interest, charge, option or encumbrance or to any agreement purporting to grant to any third party a security interest in the property or assets of Pledgor which would include the Pledged Shares or any other Pledged Collateral. Until this Agreement is terminated pursuant to Section 11 hereof, Pledgor covenants and agrees that it will defend, for the benefit of Pledgee, Pledgee's right, title and security interest in and to the Pledged Shares, the other Pledged Collateral and the proceeds thereof against the claims and demands of all other persons or entities; and

H. Neither Pledgor nor any Pledged Entity (i) will become a person whose property or interests in property are blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism (66 Fed. Reg. 49079(2001), (ii) will engage in any dealings or transactions prohibited by Section 2 of such executive order, or (iii) will otherwise become a person on the list of Specially Designated Nationals and Blocked Persons or subject to the limitations or prohibitions under any other Office of Foreign Asset Control regulation or executive order.

V. **Dividends, Distributions, Etc. If, prior to irrevocable repayment in full in cash of the Liabilities, Pledgor shall receive any certificate (including, without limitation, any certificate representing a dividend or a distribution in connection with any reclassification, increase or reduction of capital, or issued in connection with any reorganization, merger or consolidation), or any options or rights, whether as an addition to, in substitution for, or in exchange for any of the Pledged Shares or otherwise, Pledgor agrees, in each case, to accept the same as Pledgee's agent and to hold the same in trust for Pledgee, and to deliver the same promptly (but in any event within five Business Days) to Pledgee in the exact form received, with the endorsement of Pledgor when necessary and/or with appropriate undated assignments separate from certificates or stock powers duly executed in blank, to be held by Pledgee subject to the terms hereof, as additional Pledged Collateral. Pledgor shall promptly deliver to Pledgee (i) a Pledge Addendum with respect to such additional certificates, and (ii) any financing statements or amendments to financing statements as requested by Pledgee in writing. Pledgor hereby authorizes Pledgee to attach each such Pledge Addendum to this Agreement. In case any distribution of capital shall be made on or in respect of the Pledged Shares or any property shall be distributed upon or with respect to the Pledged Shares pursuant to the recapitalization or reclassification of the capital of the issuer thereof or pursuant to the reorganization thereof, the property so distributed shall be delivered to Pledgee to be held by it as additional Pledged Collateral. Except as provided in Section 5(b) below, all sums of money and property so paid or distributed in respect of the Pledged Shares which are received by Pledgor shall, until paid or delivered to Pledgee, be held by Pledgor in trust as additional Pledged Collateral.**

VI. **Voting Rights; Dividends; Certificates.**

A. So long as no Event of Default (as defined in the Notes) has occurred and is continuing, Pledgor shall be entitled (subject to the other provisions hereof, including, without limitation, Section 8 below) to exercise its voting and other consensual rights with respect to the Pledged Shares and otherwise exercise the incidents of ownership thereof in any manner not inconsistent with this Agreement or the Exchange Agreement and the other Transaction Documents. Pledgor hereby grants to Pledgee or its nominee, an irrevocable proxy to exercise all voting and corporate rights relating to the Pledged Shares in any instance, which proxy shall be effective, at the discretion of Pledgee, upon the occurrence and during the continuance of an Event of Default. Upon the request of Pledgee at any time, Pledgor agrees to deliver to Pledgee such further evidence of such irrevocable proxy or such further irrevocable proxies to vote the Pledged Shares as Pledgee may request.

B. So long as no Event of Default shall have occurred and be continuing, Pledgor shall be entitled to receive cash dividends or other distributions made in respect of the Pledged Shares, to the extent permitted to be made pursuant to the terms of the Notes. Upon the occurrence and during the continuance of an Event of Default, in the event that Pledgor, as record and beneficial owner of the Pledged Shares, shall have received or shall have become entitled to receive, any cash dividends or other distributions in the ordinary course, Pledgor shall deliver to Pledgee, and Pledgee shall be entitled to receive and retain, for the benefit of Pledgee and Buyer, all such cash or other distributions as additional security for the Liabilities.

C. Subject to any sale or other disposition by Pledgee of the Pledged Shares, any other Pledged Collateral or other property pursuant to this Agreement, upon the indefeasible full payment in cash, satisfaction and termination of all of the Liabilities and the termination of this Agreement pursuant to Section 11 hereof and of the liens and security interests hereby granted, the Pledged Shares, the other Pledged Collateral and any other property then held as part of the Pledged Collateral in accordance with the provisions of this Agreement shall be returned to Pledgor or to such other persons or entities as shall be legally entitled thereto.

D. Pledgor shall cause all Pledged Shares to be certificated at all times while this Agreement is in effect.

VII. **Rights of Pledgee. Pledgee shall not be liable for failure to collect or realize upon the Liabilities or any collateral security or guaranty therefor, or any part thereof, or for any delay in so doing, nor shall Pledgee be under any obligation to take any action whatsoever with regard thereto. Any or all of the Pledged Shares held by Pledgee hereunder may, if an Event of Default has occurred and is continuing, without notice, be registered in the name of Pledgee or its nominee, and Pledgee or its nominee may thereafter without notice exercise all voting and corporate rights at any meeting with respect to any Pledge Entity and exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Pledged Shares as if it were the absolute owner thereof, including, without limitation, the right to vote in favor of, and to exchange at its discretion any and all of the Pledged Shares upon, the merger, consolidation, reorganization, recapitalization or other readjustment with respect to any Pledge Entity or upon the exercise by any Pledge Entity, Pledgor or Pledgee of any right, privilege or option pertaining to any of the Pledged Shares, and in connection therewith, to deposit and deliver any and all of the Pledged Shares with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as Pledgee may reasonably determine, all without liability except to account for property actually received by Pledgee, but Pledgee shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.**

VIII. **Remedies. Upon the occurrence and during the continuance of an Event of Default, Pledgee may exercise in respect of the Pledged Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party under the Uniform Commercial Code ("UCC") in effect in the State of New York from time to time, whether or not the UCC applies to the affected Pledged Collateral (or the Uniform Commercial Code as in effect in any other relevant jurisdiction). Pledgee also, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Pledgor or any other person or entity (all and each of which demands, advertisements and/or notices are hereby expressly waived), may upon the occurrence and during the continuance of an Event of Default forthwith collect, receive, appropriate and realize upon the Pledged Collateral, or any part thereof, and/or may forthwith date and otherwise fill in the blanks on any assignments separate from certificates or stock power or otherwise sell, assign, give an option or options to purchase, contract to sell or otherwise dispose of and deliver said Pledged Collateral, or any part thereof, in one or more portions at one or more public or private sales or dispositions, at any exchange or broker's board or at any of Pledgee's offices or elsewhere upon such terms and conditions as Pledgee may deem advisable and at such prices as it may deem best, for any combination of cash and/or securities or other property or on credit or for future delivery without assumption of any credit risk, with the right to Pledgee upon any such sale, public or private, to purchase the whole or any part of said Pledged Collateral so sold, free of any right or equity of redemption in Pledgor, which right or equity is hereby expressly waived or released. Pledgee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization, sale or disposition, after deducting all costs and expenses of every kind incurred therein or incidental to the safekeeping of any and all of the Pledged Collateral or in any way relating to the rights of Pledgee hereunder, including attorneys' fees and legal expenses, to the payment, in whole or in part, of the Liabilities, in such order as Pledgee may elect. Pledgor shall remain liable for any deficiency remaining unpaid after such application. Only after so paying over such net proceeds and after the payment by Pledgee of any other amount required by any provision of law, including, without limitation, Section 9-608 of the UCC, need Pledgee account for the surplus, if any, to Pledgor. Pledgor agrees that Pledgee need not give more than ten (10) days' notice of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place and that such notice is reasonable notification of such matters. No notification need be given to Pledgor if it has signed after default a statement renouncing or modifying any right to notification of sale or other intended disposition.**

IX. **No Disposition, Etc. Until the irrevocable payment in full in cash of the Liabilities, Pledgor agrees that it will not sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Pledged Shares or any other Pledged Collateral, nor will Pledgor create, incur or permit to exist any pledge, lien, mortgage, hypothecation, security interest, charge, option or any other encumbrance with respect to any of the Pledged Shares or any other Pledged Collateral, or any interest therein, or any proceeds thereof, except for the lien and security interest of Pledgee provided for by this Agreement and the Security Agreement and Permitted Liens, as defined in the Exchange Agreement.**

X. **Sale of Pledged Shares.**

A. Pledgor recognizes that Pledgee may be unable to effect a public sale or disposition (including, without limitation, any disposition in connection with a merger of a Pledge Entity) of any or all the Pledged Shares by reason of certain prohibitions contained in the Securities Act of 1933, as amended (the "**1933 Act**"), and applicable state securities laws, but may be compelled to resort to one or more private sales or dispositions thereof to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution or resale thereof. Pledgor acknowledges and agrees that any such private sale or disposition may result in prices and other terms (including the terms of any securities or other property received in connection therewith) less favorable to the seller than if such sale or disposition were a public sale or disposition and, notwithstanding such circumstances, agrees that any such private sale or disposition shall be deemed to be reasonable and affected in a commercially reasonable manner. Pledgee shall be under no obligation to delay a sale or disposition

of any of the Pledged Shares in order to permit Pledgor or a Pledge Entity to register such securities for public sale under the 1933 Act, or under applicable state securities laws, even if Pledgor or a Pledge Entity would agree to do so.

Pledgor further agrees to do or cause to be done all such other acts and things as may be reasonably necessary to make such sales or dispositions of the Pledged Shares valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sales or dispositions, all at Pledgor's expense; provided that Pledgor shall not have any obligation to register the Pledged Shares as securities under the 1933 Act or the applicable state securities laws solely by virtue of this Section 9(b). Pledgor further agrees that a breach of any of the covenants contained in Sections 4, 5(a), 5(b), 8, 9 and 24 will cause irreparable injury to Pledgee and that Pledgee has no adequate remedy at law in respect of such breach and, as a consequence, agrees, without limiting the right of Pledgee to seek and obtain specific performance of other obligations of Pledgor contained in this Agreement, that each and every covenant referenced above shall be specifically enforceable against Pledgor, and Pledgor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants.

B.

Pledgor further agrees to indemnify and hold harmless Buyer, Pledgee and their respective successors and assigns, their respective officers, directors, employees, attorneys and agents, and any person or entity in control of any thereof, from and against any loss, liability, claim, damage and expense, including, without limitation, legal fees and expenses (in this paragraph collectively called the "**Indemnified Liabilities**"), under federal and state securities laws or otherwise insofar as such Indemnified Liability (i) arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement, prospectus or offering memorandum or in any preliminary prospectus or preliminary offering memorandum or in any amendment or supplement to any thereof or in any other writing prepared by Pledgor in connection with the offer, sale or resale of all or any portion of the Pledged Collateral unless such untrue statement of material fact was provided by Pledgee, in writing, specifically for inclusion therein, or (ii) arises out of or is based upon any omission or alleged omission to state therein a material fact required to be stated or necessary to make the statements therein not misleading, such indemnification to remain operative regardless of any investigation made by or on behalf of Pledgee or any successor thereof, or any person or entity in control of any thereof. In connection with a public sale or other distribution, Pledgor will provide customary indemnification to any underwriters, their successors and assigns, officers and directors and each person or entity who controls any such underwriter (within the meaning of the 1933 Act). If and to the extent that the foregoing undertakings in this paragraph may be unenforceable for any reason, Pledgor agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. The obligations of Pledgor under this paragraph (c) shall survive any termination of this Agreement.

C.

D. Pledgor further agrees to waive any and all rights of subrogation it may have against a Pledge Entity upon the sale or disposition of all or any portion of the Pledged Collateral by Pledgee pursuant to the terms of this Agreement until the termination of this Agreement in accordance with Section 11 below.

XI. **No Waiver; Cumulative Remedies. Pledgee shall not by any act, delay, omission or otherwise be deemed to have waived any of its remedies hereunder, and no waiver by Pledgee shall be valid unless in writing and signed by Pledgee, and then only to the extent therein set forth. A waiver by Pledgee of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Pledgee would otherwise have on any further occasion. No course of dealing between Pledgor and Pledgee and no failure to exercise, nor any delay in exercising on the part of Pledgee or Buyer of, any right, power or privilege hereunder or under the other Transaction Documents shall impair such right or remedy or operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law or in the Exchange Agreement.**

XII. **Termination. This Agreement and the liens and security interests granted hereunder shall terminate and Pledgee shall return any Pledged Shares or other Pledged Collateral then held by Pledgee in accordance with the provisions of this Agreement to Pledgor upon the termination of the Notes and the full and complete performance and indefeasible satisfaction of all of the Liabilities (i) in respect of the Notes (including, without limitation, the indefeasible payment in full in cash of all such Liabilities) and (ii) with respect to which claims have been asserted by Pledgee and/or Buyer.**

XIII. **Possession of Collateral. Beyond the exercise of reasonable care to assure the safe custody of the Pledged Shares in the physical possession of Pledgee pursuant hereto, neither Pledgee, nor any nominee of Pledgee, shall have any duty or liability to collect any sums due in respect thereof or to protect, preserve or exercise any rights pertaining thereto (including any duty to ascertain or take action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to the Pledged Collateral and any duty to take any necessary steps to preserve rights against any parties with respect to the Pledged Collateral), and shall be relieved of all responsibility for the Pledged Collateral upon surrendering them to Pledgor. Pledgor assumes the responsibility for being and keeping itself informed of the financial condition of a Pledge Entity and of all other circumstances bearing upon the risk of non-payment of the Liabilities, and Pledgee shall have no duty to advise Pledgor of information known to Pledgee regarding such condition or any such circumstance. Pledgee shall have no duty to inquire into the powers of a Pledge Entity or its officers, directors, managers, members, partners or agents thereof acting or purporting to act on its behalf.**

XIV. **Taxes and Expenses. Pledgor will upon demand pay to Pledgee, (a) any taxes (excluding income taxes, franchise taxes or other taxes levied on gross earnings, profits or the like of Pledgee) payable or ruled payable by any Governmental Authority (as defined in the Security Agreement) in respect of this Agreement, together with interest and penalties, if any, and (b) all expenses, including the fees and expenses of counsel for Pledgee and of any experts and agents that Pledgee may incur in connection with (i) the administration, modification or amendment of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of Pledgee hereunder, or (iv) the failure of Pledgor to perform or observe any of the provisions hereof.**

XV. **Pledgee Appointed Attorney-In-Fact. Pledgor hereby irrevocably appoints Pledgee as Pledgor's attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor or otherwise, from time to time in Pledgee's discretion, to take any action and to execute any instrument that Pledgee deems reasonably necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to Pledgor representing any dividend, interest payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same, when and to the extent permitted by this Agreement; provided that**

the power of attorney granted hereunder shall only be exercised by Pledgee after the occurrence and during the continuance of an Event of Default.

XVI. **Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. Each party hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Notwithstanding the foregoing, the Pledgee may enforce its rights and remedies in any other jurisdiction applicable to the Pledged Collateral. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

XVII. **Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile, .pdf or similar electronically transmitted signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original signature.**

XVIII. **Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.**

XIX. **Severability. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.**

XX. **Entire Agreement; Amendments. This Agreement supersedes all other prior oral or written agreements between each Pledgor, Pledgee, Buyer and their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the Transaction Documents and instruments referenced herein and therein contain the entire understanding of the parties with respect to the matters covered herein and therein.**

XXI. **Notices. All notices, approvals, requests, demands and other communications hereunder shall be delivered or made in the manner set forth in, and shall be effective in accordance with the terms of, the Exchange Agreement, in the case of communications to the Collateral Agent, directed to the notice address set forth in the Security Agreement.**

XXII. **Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of the Notes. Pledgor shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Pledgee. Pledgee may assign its rights hereunder without the consent of Pledgor, in which event such assignee shall be deemed to be Pledgee hereunder with respect to such assigned rights.**

XXIII. **No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person or entity.**

XXIV. **Survival. All representations, warranties, covenants and agreements of Pledgor and Pledgee shall survive the execution and delivery of this Agreement.**

XXV. **Further Assurances. Pledgor agrees that at any time and from time to time upon the written request of Pledgee, Pledgor will execute and deliver all assignments separate from certificates or stock powers, financing statements and such further documents and do such further acts and things as Pledgee may reasonably request consistent with the provisions hereof in order to carry out the intent and accomplish the purpose of this Agreement and the consummation of the transactions contemplated hereby.**

XXVI. **No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.**

XXVII. **Pledgee Authorized. Pledgor hereby authorizes Pledgee to file one or more financing or continuation statements and amendments thereto (or similar documents required by any laws of any applicable jurisdiction) relating to all or any part of the Pledged Shares or other Pledged Collateral without the signature of Pledgor.**

XXVIII. **Pledgee Acknowledgement. Pledgor acknowledges receipt of an executed copy of this Agreement. The Pledgor waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Pledgee to deliver to the Pledgor a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Agreement.**

XXIX. **Collateral Agent. The terms and provisions of Section 5.12 of the Security Agreement which set forth the appointment of the Collateral Agent and the indemnifications to which the Collateral Agent is entitled are hereby incorporated by reference herein as if fully set forth herein.**

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed and delivered by their duly authorized officers on the date first above written.

PLEDGOR:

SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.), a Delaware corporation

By: /s/ Howard Taylor

Name: Howard Taylor

Title: Chief Executive Officer

PLEDGEE:

VIKING ASSET MANAGEMENT LLC, a California limited liability company, in its capacity as collateral agent for Buyer

By: S. Michael Rudolph

Name: S. Michael Rudolph

Title: Chief Financial Officer

[Signature Page to Pledge Agreement]

Exhibit 99.32

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT, made as of February 14, 2008 (this "**Agreement**"), is between **SONTERRA OIL & GAS, INC.** (f/k/a Sonterra Resources, Inc.), a Delaware corporation ("**Pledgor**"), and **VIKING ASSET MANAGEMENT LLC,** a California limited liability company, in its capacity as collateral agent for Buyer identified below (in such capacity, together with its successors and assigns, the "**Pledgee**").

WHEREAS:

A. Pledgor, The Longview Fund, L.P., a California limited partnership ("**Buyer**") and certain officers of Pledgor are parties to that certain Amended and Restated Securities Purchase Agreement, dated effective as of July 9, 2007 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Purchase Agreement**"), pursuant to which Buyer purchased (i) 333 shares (the "**New Sonterra Shares**") of common stock, no par value, of Pledgor ("**Sonterra Common Stock**"); for an aggregate amount of $9,990, which shares constitute 100% of the issued and outstanding Capital Stock of Pledgor, and (ii) a senior secured note of Pledgor in the initial principal amount of $322,500 (the "**Deposit Note**").

B. Contemporaneously with the execution and delivery of that certain Securities Exchange and Additional Note Purchase Agreement between Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.), a Delaware corporation ("**Sonterra**") and Buyer, dated as of August 3, 2007 (as amended by the February 2008 Amendment Agreement, dated as of February 14, 2008, and as may be further amended, modified, restated or supplemented and in effect from time to time, the "**Exchange Agreement**"), the transactions contemplated by the Purchase Agreement to occur at the Equity Closing (as defined in the Purchase Agreement) and the transactions contemplated by the Cinco Purchase Agreement were consummated; without limiting the foregoing, pursuant to the Purchase Agreement, Buyer purchased from Pledgor a senior secured note of Pledgor in the initial principal amount of $5,990,010 (of which $322,500 represented refinancing of the Deposit Note, which was then being surrendered to Pledgor) (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Equity Note**") and a warrant to purchase 50 shares of Sonterra Common Stock (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Warrants**").

C. At the Flash Acquisition Closing (as defined in the Purchase Agreement), the transactions contemplated by the Purchase Agreement to occur at the Flash Acquisition Closing and the transactions contemplated by the Flash Purchase Agreement were consummated subject to the terms and conditions of the Purchase Agreement; without limiting the foregoing, pursuant to the Purchase Agreement, at the Flash Acquisition Closing Buyer purchased an additional senior secured note of Pledgor in the initial principal amount of $2,000,000 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Sonterra Non-Equity Note**").

D. At the Exchange Closing, subject to the terms and conditions thereof, Buyer (i) is exchanging all of its Sonterra Common Stock and the Sonterra Equity Note for common stock of Sonterra, par value $0.001 per share (the common stock of Sonterra being referred to herein as "**RCGI Common Stock**"; and any shares thereof being referred to herein as "**RCGI Common Shares**") (the RCGI Common Shares received by Buyer in such exchange being referred to as the "**New RCGI Common Shares**"), (ii) is exchanging the Sonterra Warrant for a warrant (such warrant, together with any warrants or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified and in effect from time to time, the "**RCGI Warrant**") to purchase RCGI Common Shares (subject to adjustment as provided in the RCGI Wararant) (the "**Warrant Shares**"), which RCGI Warrant shall have a term of five years and be exercisable into the Warrant Shares at a price per Warrant Share (the "**Warrant Exercise Price**") equal to 110% of the quotient of $6,000,000 divided by the number of New RCGI Common Shares issued to Buyer at the Exchange Closing Closing (subject to adjustment as provided in the RCGI Warrant); and (iii) is exchanging the Sonterra Non-Equity Note, if issued, for a senior secured note of Sonterra in an initial principal amount equal to the principal amount owing under the Sonterra Non-Equity Note on the Exchange Closing Date (such note, together with any promissory notes or other securities issued in exchange or substitution therefor or replacement thereof, and as any of the same may be amended or modified from time to time, the "**Initial RCGI Note**").

E. Subject to the terms and conditions set forth in the Exchange Agreement, during the Additional Note Issuance Period (as defined therein), Sonterra will have the option to sell, and if Sonterra exercises such option Buyer shall be obligated to purchase, additional senior secured notes (including any promissory notes or other securities issued in exchange or substitution for such senior secured notes or replacement thereof, and as any of the same may be amended, restated, modified or supplemented and in effect from time to time, the "**Additional RCGI Notes**"; and, collectively with the Initial RCGI Note, the "**Notes**"), each with a maturity date of August 31, 2010, in an original aggregate principal amount of up to the result of $10,000,000 minus the original principal amount of the Initial RCGI Note.

F. The Pledgor legally and beneficially owns one hundred percent (100%) of the issued and outstanding shares of Capital Stock of Sonterra Operating, Inc., a Delaware corporation ("**Operations**"; Operations and any other corporation or other entity, the stock or other equity interests and securities of which are owned or acquired by Pledgor and described on an addendum hereto from time to time executed by Pledgor in form and substance satisfactory to Pledgee, is referred to herein as a "**Pledge Entity**" and collectively as the "**Pledge Entities**"; provided that the parties hereto agree that, as of the date hereof, Operations is the only Pledged Entity).

G. Pursuant to that certain Security Agreement dated as of July 9, 2007 between Pledgor and Pledgee (as the same may be amended, restated, modified or supplement and in effect from time to time, the "**Security Agreement**"), Pledgor has granted Pledgee, for the benefit of Buyer, a first priority security interest in, lien upon and pledge of its rights in the Pledgor's Collateral (as defined in the Security Agreement).

H. To induce Buyer to make the Loans, and in order to secure the payment and performance by Pledgor of the Liabilities (as defined in the Security Agreement), Pledgor has agreed to pledge to Pledgee all of the capital stock and other equity interests and securities of the Pledge Entities now or hereafter owned or acquired by Pledgor to secure the Liabilities (as defined in the Security Agreement).

NOW, THEREFORE, in consideration of the premises and in order to induce Buyer to purchase the Notes under the Exchange Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor hereby agrees with Pledgee as follows:

XXX. **Defined Terms. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings given them in the Exchange Agreement.**

XXXI. **Pledge.**

A. Pledgor hereby pledges, assigns, hypothecates, delivers and grants to Pledgee, for the benefit of itself and Buyer, a first lien on and first priority perfected security interest in (i) all of the Capital Stock or other equity interests of the Pledge Entities now owned or hereafter acquired by Pledgor (collectively, the "**Pledged Shares**"), (ii) all other property hereafter delivered to, or in the possession or in the custody of, Pledgee, in substitution for or in addition to the Pledged Shares, (iii) any other property of Pledgor described in Section 4 below or otherwise, whether now or hereafter delivered to, or in the possession or custody of Pledgor, and (iv) all proceeds of the collateral described in the preceding clauses (i), (ii) and (iii) (the collateral described in clauses (i) through (iv) of this Section 2 being collectively referred to as the "**Pledged Collateral**"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Liabili-ties (as defined in the Security Agreement). All of the Pledged Shares now owned by Pledgor which are presently represented by certificates are listed on Exhibit A hereto, which certificates, with undated assignments separate from certificates or stock powers duly executed in blank by Pledgor and irrevocable proxies, are being delivered to Pledgee simultaneously herewith. Upon the creation or acquisition of any new Pledged Shares, Pledgor shall execute an Addendum in the form of Exhibit B attached hereto (a "**Pledge Addendum**"). Any Pledged Collateral described in a Pledge Addendum executed by Pledgor shall thereafter be deemed to be listed on Exhibit A hereto. Pledgee shall maintain possession and custody of the certificates representing the Pledged Shares and any additional Pledged Collateral.

B. Pledgor shall cause each Pledged Share consisting of either (i) a membership interest in a Person that is a limited liability company or (ii) a partnership interest in a Person that is a partnership (if any) to be "securities" governed by Article 8 of the UCC at all times. Pledgor shall cause the applicable Persons to issue certificates evidencing such membership interests or partnership interests (if any) to Pledgor. Pledgor shall not cause and shall not permit any Pledged Entity which is not a corporation to "opt-out" of Article 8 of the UCC. Pledgor shall not take, and shall not permit any Pledged Entity which is not a corporation to take, any actions to cause the capital stock, membership interests, partnership interests or similar equity interests of such Pledged Entity to cease to be classified as "securities" governed by Article 8 of the UCC.

XXXII. **Representations and Warranties of Pledgor. Pledgor represents and warrants to Pledgee, and covenants with Pledgee, that:**

A. Exhibit A sets forth (i) the authorized capital stock or other equity interests of each Pledge Entity, (ii) the number of shares of capital stock or other equity interests of each Pledge Entity that are issued and outstanding as of the date hereof, and (iii) the percentage of the issued and outstanding shares of capital stock or other equity interests of each Pledge Entity held by Pledgor. Pledgor is the record and beneficial owner of, and has good and marketable title to, the Pledged Shares, and such shares are and will remain free and clear of all pledges, liens, security interests and other encumbrances and restrictions whatsoever, except the liens and security interests in favor of Pledgee created by this Agreement;

B. Except as set forth on Exhibit A, there are no outstanding options, warrants or other similar agreements with respect to the Pledged Shares or any of the other Pledged Collateral;

C. this Agreement is the legal, valid and binding obligation of Pledgor, enforceable against Pledgor in accordance with its terms except to the extent that such enforceability is subject to applicable bankruptcy, insolvency, reorganization, fraudulent conveyance and moratorium laws and other laws of general application affecting enforcement of creditors' rights generally, or the availability of equitable remedies, which are subject to the discretion of the court before which an action may be brought;

D. the Pledged Shares have been duly and validly authorized and issued, are fully paid and non-assessable, and the Pledged Shares listed on Exhibit A constitute all of the issued and outstanding capital stock or other equity interests of the Pledge Entities;

E. no consent, approval or authorization of or designation or filing with any governmental or regulatory authority on the part of Pledgor is required in connection with the pledge and security interest granted under this Agreement;

F. the execution, delivery and performance of this Agreement will not violate any provision of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, which are applicable to Pledgor, or of the articles or certificate of incorporation, bylaws or any other similar organizational documents of Pledgor or any Pledge Entity or of any securities issued by Pledgor or any Pledge Entity or of any mortgage, indenture, lease, contract, or other agreement, instrument or undertaking to which Pledgor or any Pledge Entity is a party or which is binding upon Pledgor or any Pledge Entity or upon any of the assets of Pledgor or any Pledge Entity, and will not result in the creation or imposition of any lien, charge or encumbrance on or security interest in any of the assets of Pledgor or any Pledge Entity, except as otherwise contemplated by this Agreement;

G. assuming the Pledgee retains control of and holds all certificates and executed stock powers for the Pledged Shares and the Pledged Collateral, the pledge, assignment and delivery of the Pledged Shares and the other Pledged Collateral pursuant to this Agreement creates a valid first lien on and perfected first priority security interest in such Pledged Shares and Pledged Collateral and the proceeds thereof in favor of Pledgee, subject to no prior pledge, lien, mortgage, hypothecation, security interest, charge, option or encumbrance or to any agreement purporting to grant to any third party a security interest in the property or assets of Pledgor which would include the Pledged Shares or any other Pledged Collateral. Until this Agreement is terminated pursuant to Section 11 hereof, Pledgor covenants and agrees that it will defend, for the benefit of Pledgee, Pledgee's right, title and security interest in and to the Pledged Shares, the other Pledged Collateral and the proceeds thereof against the claims and demands of all other persons or entities; and

H. Neither Pledgor nor any Pledged Entity (i) will become a person whose property or interests in property are blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism (66 Fed. Reg. 49079(2001), (ii) will engage in any dealings or transactions prohibited by Section 2 of such executive order, or (iii) will otherwise become a person on the list of Specially Designated Nationals and Blocked Persons or subject to the limitations or prohibitions under any other Office of Foreign Asset Control regulation or executive order.

XXXIII. **Dividends, Distributions, Etc. If, prior to irrevocable repayment in full in cash of the Liabilities, Pledgor shall receive any certificate (including, without limitation, any certificate representing a dividend or a distribution in connection with any reclassification, increase or reduction of capital, or issued in connection with any reorganization, merger or consolidation), or any options or rights, whether as an addition to, in substitution for, or in exchange for any of the Pledged Shares or otherwise, Pledgor agrees, in each case, to accept the same as Pledgee's agent and to hold the same in trust for Pledgee, and to deliver the same promptly (but in any event within five Business Days) to Pledgee in the exact form received, with the endorsement of Pledgor when necessary and/or with appropriate undated assignments separate from certificates or stock powers duly executed in blank, to be held by Pledgee subject to the terms hereof, as additional Pledged Collateral. Pledgor shall promptly deliver to Pledgee (i) a Pledge Addendum with respect to such additional certificates, and (ii) any financing statements or amendments to financing statements as requested by Pledgee in writing. Pledgor hereby authorizes Pledgee to attach each such Pledge Addendum to this Agreement. In case any distribution of capital shall be made on or in respect of the Pledged Shares or any property shall be distributed upon or with respect to the Pledged Shares pursuant to the recapitalization or reclassification of the capital of the issuer thereof or pursuant to the reorganization thereof, the property so distributed shall be delivered to Pledgee to be held by it as additional Pledged Collateral. Except as provided in Section 5(b) below, all sums of money and property so paid or distributed in respect of the Pledged Shares which are received by Pledgor shall, until paid or delivered to Pledgee, be held by Pledgor in trust as additional Pledged Collateral.**

XXXIV. Voting Rights; Dividends; Certificates.

A. So long as no Event of Default (as defined in the Notes) has occurred and is continuing, Pledgor shall be entitled (subject to the other provisions hereof, including, without limitation, Section 8 below) to exercise its voting and other consensual rights with respect to the Pledged Shares and otherwise exercise the incidents of ownership thereof in any manner not inconsistent with this Agreement or the Exchange Agreement and the other Transaction Documents. Pledgor hereby grants to Pledgee or its nominee, an irrevocable proxy to exercise all voting and corporate rights relating to the Pledged Shares in any instance, which proxy shall be effective, at the discretion of Pledgee, upon the occurrence and during the continuance of an Event of Default. Upon the request of Pledgee at any time, Pledgor agrees to deliver to Pledgee such further evidence of such irrevocable proxy or such further irrevocable proxies to vote the Pledged Shares as Pledgee may request.

B. So long as no Event of Default shall have occurred and be continuing, Pledgor shall be entitled to receive cash dividends or other distributions made in respect of the Pledged Shares, to the extent permitted to be made pursuant to the terms of the Notes. Upon the occurrence and during the continuance of an Event of Default, in the event that Pledgor, as record and beneficial owner of the Pledged Shares, shall have received or shall have become entitled to receive, any cash dividends or other distributions in the ordinary course, Pledgor shall deliver to Pledgee, and Pledgee shall be entitled to receive and retain, for the benefit of Pledgee and Buyer, all such cash or other distributions as additional security for the Liabilities.

C. Subject to any sale or other disposition by Pledgee of the Pledged Shares, any other Pledged Collateral or other property pursuant to this Agreement, upon the indefeasible full payment in cash, satisfaction and termination of all of the Liabilities and the termination of this Agreement pursuant to Section 11 hereof and of the liens and security interests hereby granted, the Pledged Shares, the other Pledged Collateral and any other property then held as part of the Pledged Collateral in accordance with the provisions of this Agreement shall be returned to Pledgor or to such other persons or entities as shall be legally entitled thereto.

D. Pledgor shall cause all Pledged Shares to be certificated at all times while this Agreement is in effect.

XXXV. Rights of Pledgee. Pledgee shall not be liable for failure to collect or realize upon the Liabilities or any collateral security or guaranty therefor, or any part thereof, or for any delay in so doing, nor shall Pledgee be under any obligation to take any action whatsoever with regard thereto. Any or all of the Pledged Shares held by Pledgee hereunder may, if an Event of Default has occurred and is continuing, without notice, be registered in the name of Pledgee or its nominee, and Pledgee or its nominee may thereafter without notice exercise all voting and corporate rights at any meeting with respect to any Pledge Entity and exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Pledged Shares as if it were the absolute owner thereof, including, without limitation, the right to vote in favor of, and to exchange at its discretion any and all of the Pledged Shares upon, the merger, consolidation, reorganization, recapitalization or other readjustment with respect to any Pledge Entity or upon the exercise by any Pledge Entity, Pledgor or Pledgee of any right, privilege or option pertaining to any of the Pledged Shares, and in connection therewith, to deposit and deliver any and all of the Pledged Shares with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as Pledgee may reasonably determine, all without liability except to account for property actually received by Pledgee, but Pledgee shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

XXXVI. Remedies. Upon the occurrence and during the continuance of an Event of Default, Pledgee may exercise in respect of the Pledged Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party under the Uniform Commercial Code ("UCC") in effect in the State of New York from time to time, whether or not the UCC applies to the affected Pledged Collateral (or the Uniform Commercial Code as in effect in any other relevant jurisdiction). Pledgee also, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Pledgor or any other person or entity (all and each of which demands, advertisements and/or notices are hereby expressly waived), may upon the occurrence and during the continuance of an Event of Default forthwith collect, receive, appropriate and realize upon

the Pledged Collateral, or any part thereof, and/or may forthwith date and otherwise fill in the blanks on any assignments separate from certificates or stock power or otherwise sell, assign, give an option or options to purchase, contract to sell or otherwise dispose of and deliver said Pledged Collateral, or any part thereof, in one or more portions at one or more public or private sales or dispositions, at any exchange or broker's board or at any of Pledgee's offices or elsewhere upon such terms and conditions as Pledgee may deem advisable and at such prices as it may deem best, for any combination of cash and/or securities or other property or on credit or for future delivery without assumption of any credit risk, with the right to Pledgee upon any such sale, public or private, to purchase the whole or any part of said Pledged Collateral so sold, free of any right or equity of redemption in Pledgor, which right or equity is hereby expressly waived or released. Pledgee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization, sale or disposition, after deducting all costs and expenses of every kind incurred therein or incidental to the safekeeping of any and all of the Pledged Collateral or in any way relating to the rights of Pledgee hereunder, including attorneys' fees and legal expenses, to the payment, in whole or in part, of the Liabilities, in such order as Pledgee may elect. Pledgor shall remain liable for any deficiency remaining unpaid after such application. Only after so paying over such net proceeds and after the payment by Pledgee of any other amount required by any provision of law, including, without limitation, Section 9-608 of the UCC, need Pledgee account for the surplus, if any, to Pledgor. Pledgor agrees that Pledgee need not give more than ten (10) days' notice of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place and that such notice is reasonable notification of such matters. No notification need be given to Pledgor if it has signed after default a statement renouncing or modifying any right to notification of sale or other intended disposition.

XXXVII. **No Disposition, Etc.** **Until the irrevocable payment in full in cash of the Liabilities, Pledgor agrees that it will not sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Pledged Shares or any other Pledged Collateral, nor will Pledgor create, incur or permit to exist any pledge, lien, mortgage, hypothecation, security interest, charge, option or any other encumbrance with respect to any of the Pledged Shares or any other Pledged Collateral, or any interest therein, or any proceeds thereof, except for the lien and security interest of Pledgee provided for by this Agreement and the Security Agreement and Permitted Liens, as defined in the Exchange Agreement.**

XXXVIII. Sale of Pledged Shares.

Pledgor recognizes that Pledgee may be unable to effect a public sale or disposition (including, without limitation, any disposition in connection with a merger of a Pledge Entity) of any or all the Pledged Shares by reason of certain prohibitions contained in the Securities Act of 1933, as amended (the "**1933 Act**"), and applicable state securities laws, but may be compelled to resort to one or more private sales or dispositions thereof to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution or resale thereof.

A. Pledgor acknowledges and agrees that any such private sale or disposition may result in prices and other terms (including the terms of any securities or other property received in connection therewith) less favorable to the seller than if such sale or disposition were a public sale or disposition and, notwithstanding such circumstances, agrees that any such private sale or disposition shall be deemed to be reasonable and affected in a commercially reasonable manner. Pledgee shall be under no obligation to delay a sale or disposition of any of the Pledged Shares in order to permit Pledgor or a Pledge Entity to register such securities for public sale under the 1933 Act, or under applicable state securities laws, even if Pledgor or a Pledge Entity would agree to do so.

Pledgor further agrees to do or cause to be done all such other acts and things as may be reasonably necessary to make such sales or dispositions of the Pledged Shares valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sales or dispositions, all at Pledgor's expense; provided that Pledgor shall not have any obligation to register the Pledged Shares as securities under the 1933 Act or the applicable state securities laws solely by virtue of this Section

B. 9(b). Pledgor further agrees that a breach of any of the covenants contained in Sections 4, 5(a), 5(b), 8, 9 and 24 will cause irreparable injury to Pledgee and that Pledgee has no adequate remedy at law in respect of such breach and, as a consequence, agrees, without limiting the right of Pledgee to seek and obtain specific performance of other obligations of Pledgor contained in this Agreement, that each and every covenant referenced above shall be specifically enforceable against Pledgor, and Pledgor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants.

Pledgor further agrees to indemnify and hold harmless Buyer, Pledgee and their respective successors and assigns, their respective officers, directors, employees, attorneys and agents, and any person or entity in control of any thereof, from and against any loss, liability, claim, damage and expense, including, without limitation, legal fees and expenses (in this paragraph collectively called the "**Indemnified Liabilities**"), under federal and state securities laws or otherwise insofar as such Indemnified Liability (i) arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement, prospectus or offering memorandum or in any preliminary prospectus or preliminary offering memorandum or in any amendment or supplement to any thereof or in any other writing prepared by Pledgor in connection with the offer, sale or resale of all or any portion of the Pledged Collateral unless such untrue statement of material fact was provided by Pledgee, in writing,

C. specifically for inclusion therein, or (ii) arises out of or is based upon any omission or alleged omission to state therein a material fact required to be stated or necessary to make the statements therein not misleading, such indemnification to remain operative regardless of any investigation made by or on behalf of Pledgee or any successor thereof, or any person or entity in control of any thereof. In connection with a public sale or other distribution, Pledgor will provide customary indemnification to any underwriters, their successors and assigns, officers and directors and each person or entity who controls any such underwriter (within the meaning of the 1933 Act). If and to the extent that the foregoing undertakings in this paragraph may be unenforceable for any reason, Pledgor agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. The obligations of Pledgor under this paragraph (c) shall survive any termination of this Agreement.

Pledgor further agrees to waive any and all rights of subrogation it may have against a Pledge Entity upon the sale or

D. disposition of all or any portion of the Pledged Collateral by Pledgee pursuant to the terms of this Agreement until the termination of this Agreement in accordance with Section 11 below.

XXXIX. **No Waiver; Cumulative Remedies. Pledgee shall not by any act, delay, omission or otherwise be deemed to have waived any of its remedies hereunder, and no waiver by Pledgee shall be valid unless in writing and signed by Pledgee, and then only to the extent therein set forth. A waiver by Pledgee of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Pledgee would otherwise have on any further occasion. No course of dealing between Pledgor and Pledgee and no failure to exercise, nor any delay in exercising on the part of Pledgee or Buyer of, any right, power or privilege hereunder or under the other Transaction Documents shall impair such right or remedy or operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law or in the Exchange Agreement.**

XL. **Termination. This Agreement and the liens and security interests granted hereunder shall terminate and Pledgee shall return any Pledged Shares or other Pledged Collateral then held by Pledgee in accordance with the provisions of this Agreement to Pledgor upon the termination of the Notes and the full and complete performance and indefeasible satisfaction of all of the Liabilities (i) in respect of the Notes (including, without limitation, the indefeasible payment in full in cash of all such Liabilities) and (ii) with respect to which claims have been asserted by Pledgee and/or Buyer.**

XLI. **Possession of Collateral. Beyond the exercise of reasonable care to assure the safe custody of the Pledged Shares in the physical possession of Pledgee pursuant hereto, neither Pledgee, nor any nominee of Pledgee, shall have any duty or liability to collect any sums due in respect thereof or to protect, preserve or exercise any rights pertaining thereto (including any duty to ascertain or take action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to the Pledged Collateral and any duty to take any necessary steps to preserve rights against any parties with respect to the Pledged Collateral), and shall be relieved of all responsibility for the Pledged Collateral upon surrendering them to Pledgor. Pledgor assumes the responsibility for being and keeping itself informed of the financial condition of a Pledge Entity and of all other circumstances bearing upon the risk of non-payment of the Liabilities, and Pledgee shall have no duty to advise Pledgor of information known to Pledgee regarding such condition or any such circumstance. Pledgee shall have no duty to inquire into the powers of a Pledge Entity or its officers, directors, managers, members, partners or agents thereof acting or purporting to act on its behalf.**

XLII. **Taxes and Expenses. Pledgor will upon demand pay to Pledgee, (a) any taxes (excluding income taxes, franchise taxes or other taxes levied on gross earnings, profits or the like of Pledgee) payable or ruled payable by any Governmental Authority (as defined in the Security Agreement) in respect of this Agreement, together with interest and penalties, if any, and (b) all expenses, including the fees and expenses of counsel for Pledgee and of any experts and agents that Pledgee may incur in connection with (i) the administration, modification or amendment of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of Pledgee hereunder, or (iv) the failure of Pledgor to perform or observe any of the provisions hereof.**

XLIII. **Pledgee Appointed Attorney-In-Fact. Pledgor hereby irrevocably appoints Pledgee as Pledgor's attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor or otherwise, from time to time in Pledgee's discretion, to take any action and to execute any instrument that Pledgee deems reasonably necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to Pledgor representing any dividend, interest payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same, when and to the extent permitted by this Agreement; provided that the power of attorney granted hereunder shall only be exercised by Pledgee after the occurrence and during the continuance of an Event of Default.**

XLIV. **Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause**

the application of the laws of any jurisdiction other than the State of New York. Each party hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Notwithstanding the foregoing, the Pledgee may enforce its rights and remedies in any other jurisdiction applicable to the Pledged Collateral. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

XLV. **Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile, .pdf or similar electronically transmitted signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original signature.**

XLVI. **Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.**

XLVII. **Severability. If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.**

XLVIII. **Entire Agreement; Amendments. This Agreement supersedes all other prior oral or written agreements between each Pledgor, Pledgee, Buyer and their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the Transaction Documents and instruments referenced herein and therein contain the entire understanding of the parties with respect to the matters covered herein and therein.**

XLIX. **Notices. All notices, approvals, requests, demands and other communications hereunder shall be delivered or made in the manner set forth in, and shall be effective in accordance with the terms of, the Exchange Agreement, in the case of communications to the Collateral Agent, directed to the notice address set forth in the Security Agreement.**

L. **Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of the Notes. Pledgor shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Pledgee. Pledgee may assign its rights hereunder without the consent of Pledgor, in which event such assignee shall be deemed to be Pledgee hereunder with respect to such assigned rights.**

LI. **No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person or entity.**

LII. **Survival. All representations, warranties, covenants and agreements of Pledgor and Pledgee shall survive the execution and delivery of this Agreement.**

LIII. **Further Assurances. Pledgor agrees that at any time and from time to time upon the written request of Pledgee, Pledgor will execute and deliver all assignments separate from certificates or stock powers, financing statements and such further documents and do such further acts and things as Pledgee may reasonably request consistent with the provisions hereof in order to carry out the intent and accomplish the purpose of this Agreement and the consummation of the transactions contemplated hereby.**

LIV. **No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.**

LV. **Pledgee Authorized. Pledgor hereby authorizes Pledgee to file one or more financing or continuation statements and amendments thereto (or similar documents required by any laws of any applicable jurisdiction) relating to all or any part of the Pledged Shares or other Pledged Collateral without the signature of Pledgor.**

LVI. **Pledgee Acknowledgement. Pledgor acknowledges receipt of an executed copy of this Agreement. The Pledgor waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Pledgee to deliver to the Pledgor a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Agreement.**

LVII. **Collateral Agent. The terms and provisions of Section 5.12 of the Security Agreement which set forth the appointment of the Collateral Agent and the indemnifications to which the Collateral Agent is entitled are hereby incorporated by reference herein as if fully set forth herein.**

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed and delivered by their duly authorized officers on the date first above written.

PLEDGOR:

SONTERRA OIL & GAS, INC. (f/k/a Sonterra Resources, Inc.), a Delaware corporation

By: /s/ Michael J. Pawelek
Name: Michael J. Pawelek
Title: President

PLEDGEE:

VIKING ASSET MANAGEMENT LLC, a California limited liability company, in its capacity as collateral agent for Buyer

By: /s/ S. Michael Rudolph
Name: S. Michael Rudolph
Title: Chief Financial Officer

[Signature Page to Pledge Agreement]

Exhibit 99.33

IRREVOCABLE PROXY COUPLED WITH INTEREST

The undersigned stockholder hereby irrevocably designates and appoints The Longview Fund, L.P., a California limited partnership ("Longview"), to represent it at all annual and special meetings of the stockholders of SONTERRA OIL & GAS, INC. (f/k/a Sonterra Resources, Inc.), a Delaware corporation (the "Corporation"), and the undersigned hereby authorizes and empowers Longview, as agent ("Agent"), to vote any and all stock owned by the undersigned or standing in its name, and do all things which the undersigned might do if present and acting itself, each, as subject to the last paragraph hereof.

This proxy is an irrevocable proxy coupled with an interest. The undersigned recognizes that Longview, as Agent, has a security interest in said stock to secure certain obligations incurred by the undersigned, and to the extent permitted by law, this proxy shall continue in full force and effect, notwithstanding any time limitations set forth in the by-laws or organizational documents of the Corporation or the general corporation law of the State of Delaware.

This proxy is issued pursuant to that certain Pledge Agreement dated as of even date herewith by and between the undersigned and Viking Asset Management, LLC, a California limited liability company, and shall remain subject to the terms thereof and Agent shall not exercise any right or privileges granted therein except as provided for in the Pledge Agreement.

Dated: February 14, 2008

SONTERRA RESOURCES, INC. (f/k/a River Capital Group, Inc.), a Delaware corporation

By: /s/ Howard Taylor

Name: Howard Taylor

Title: Chief Executive Officer

Exhibit 99.34

IRREVOCABLE PROXY COUPLED WITH INTEREST

The undersigned stockholder hereby irrevocably designates and appoints The Longview Fund, L.P., a California limited partnership ("Longview"), to represent it at all annual and special meetings of the stockholders of SONTERRA OPERATING, INC., a Delaware corporation (the "Corporation"), and the undersigned hereby authorizes and empowers Longview, as agent ("Agent"), to vote any and all stock owned by the undersigned or standing in its name, and do all things which the undersigned might do if present and acting itself, each, as subject to the last paragraph hereof.

This proxy is an irrevocable proxy coupled with an interest. The undersigned recognizes that Longview, as Agent, has a security interest in said stock to secure certain obligations incurred by the undersigned, and to the extent permitted by law, this proxy shall continue in full force and effect, notwithstanding any time limitations set forth in the by-laws or organizational documents of the Corporation or the general corporation law of the State of Delaware.

This proxy is issued pursuant to that certain Pledge Agreement dated as of even date herewith by and between Sonterra Resources, Inc. (f/k/a River Capital Group, Inc.) and Viking Asset Management, LLC, a California limited liability company, and shall remain subject to the terms thereof and Agent shall not exercise any right or privileges granted therein except as provided for in the Pledge Agreement.

Dated: February 14, 2008

SONTERRA OIL & GAS, INC., a Delaware corporation

By: /s/ Wayne A. Psencik

Name: Wayne A. Psencik

Title: President