

# **EXHIBIT G**

**DRAFT**

**[LETTERHEAD OF WHITE ENERGY HOLDING COMPANY, LLC]**

March \_\_\_\_, 2010

John Castle

\_\_\_\_\_  
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Dear Mr. Castle:

Upon the emergence of White Energy, Inc. and its affiliates from bankruptcy, you will be employed by White Energy Holding Company, LLC (the “Company”). The purpose of this letter is to confirm the terms of your employment with the Company. Key points are as follows.

Position: You will be employed as Chief Executive Officer of the Company.

Base Salary: Your base salary will be \$350,000 per annum, earned and payable in regular installments in accordance with the Company’s general payroll practices. Your base salary will be subject to annual increases in the sole discretion of the Board of Directors (the “Board”).

Consummation Bonus: You will be eligible to receive a bonus in an amount equal to \$275,000 upon the consummation of the Company’s plan of reorganization. Fifty percent (50%) of the bonus will be paid upon the date of the emergence from bankruptcy and the remaining fifty percent (50%) will be paid 120 days thereafter, so long as you continue to be employed by the Company on each such date.

Discretionary Bonus: You will be eligible to earn an annual bonus targeted at one hundred percent (100%) of base salary, with any payment to be determined by the Board in its sole discretion.

Long-Term Incentive Plan: The Company may grant you non-qualified options to purchase shares of its common stock pursuant to, and subject to, its Long-Term Incentive Plan. The definitive terms of the option grant, if any, will be governed by the Long-Term Incentive Plan, which requires, as a condition of any grant, that you enter into a written option agreement. Any shares acquired pursuant to the exercise of the option will be subject to restrictions on transferability and, upon the termination of your employment, the Company will have the right to repurchase such shares, generally at fair market value.

Other Benefits: You will be entitled to participate in all benefit plans and programs generally available from time to time to employees of the Company, subject to the terms of such plans and programs.

Employment Relationship: The terms of this letter agreement do not modify your employment-at-will relationship. It is expressly understood, therefore, that the Company and you are free to terminate your employment relationship at any time. No employee of the Company has the authority to alter, orally or in writing, the terms of the at-will status of your employment relationship.

Severance: If the Company terminates your employment without “cause” at any time, you will be entitled to the continuation of your base salary for a period of twelve (12) months following such termination. You will be entitled to this severance payment only if you sign an agreement acceptable to the Company, within 30 days of your termination of employment, that (i) waives any rights you may otherwise have against the Company, (ii) releases the Company from any actions, suits, claims, proceedings and demands you may have relating to the period of your employment with the Company and/or the termination of your employment, and (iii) contains certain other obligations which will be set forth at the time of the termination. For purposes of this offer letter, you will be considered terminated for “cause” if your employment terminates after (i) you have committed any felony or a crime involving fraud, theft, misappropriation, dishonesty or embezzlement; (ii) you have committed an act or acts that materially impair the goodwill or business of the Company or cause material damage to its property, goodwill or business; or (iii) you refuse to, or willfully fail to, perform the material duties of your position.

Protective Covenant: As a condition of your continued employment, and the grant of your consummation bonus and stock options, you will be required to enter into a Protective Agreement. A copy of the Protective Agreement is attached. You also have informed us of, and provided us with copies of, any non-competition, confidentiality, work-for-hire or similar agreements to which you are subject or may be bound. Further, you also agree that you will not retain and will not bring to the Company any of your former employers’ property or confidential and proprietary information and you will not use or disclose any of your former employers’ property and/or confidential and proprietary information in connection with your employment with the Company.

General Release: As a material inducement to the Company to enter into this letter agreement and in consideration of the payments to be made by the Company to you in accordance with the paragraphs above, you, on behalf of yourself, your representatives, agents, estate, heirs, successors and assigns, and with full understanding of the contents and legal effect of this release and having the right and opportunity to consult with your counsel, release and discharge the Company, its shareholders, officers, directors, supervisors, members, managers, employees,

agents, representatives, attorneys, insurers, parent companies, divisions, subsidiaries, affiliates, and all employee benefit plans sponsored by or contributed to by the Company, and all related entities of any kind or nature, and its and their predecessors, successors, heirs, executors, administrators, and assigns (collectively, the “Released Parties”) from any and all claims, actions, causes of action, grievances, suits, charges, or complaints of any kind or nature whatsoever, that you ever had or now have, through and including the date hereof, whether fixed or contingent, liquidated or unliquidated, known or unknown, suspected or unsuspected, and whether arising in tort, contract, statute, or equity, before any federal, state, local, or private court, agency, arbitrator, mediator, or other entity, regardless of the relief or remedy; provided, however, and subject to the paragraph entitled “Covenant Not to Sue” below, the release is not intended to and does not limit your right to file a charge or participate in any investigative proceeding of the EEOC or another governmental agency. Without limiting the generality of the foregoing, it being the intention of the parties to make this release as broad and as general as the law permits, this release specifically includes, but is not limited to, and is intended to explicitly release, any and all subject matter and claims arising under that certain Employment Agreement previously entered into between you and the Company dated May 14, 2006, including any amendments thereto and any agreement and/or understanding pertaining to equity ownership in the Company; the Age Discrimination in Employment Act of 1967, as amended; the Fair Labor Standards Act; Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1866, as amended by the Civil Rights Act of 1991 (42 U.S.C. § 1981); the Rehabilitation Act of 1973, as amended; the Employee Retirement Income Security Act of 1974, as amended; the Texas Minimum Wage Act; the Texas Commission on Human Rights Act, and other similar state or local laws; the Americans with Disabilities Act; the Family and Medical Leave Act; the Worker Adjustment and Retraining Notification Act; the Equal Pay Act; Executive Order 11246; Executive Order 11141; and any other statutory claim, tort claim, employment or other contract or implied contract claim, or common law claim for wrongful discharge, breach of an implied covenant of good faith and fair dealing, defamation, invasion of privacy, or any other claim, arising out of or involving your employment with the Company or involving any other matter, including but not limited to the continuing effects of your employment with the Company. You further acknowledge that you are aware that statutes exist that render null and void releases and discharges of any claims, rights, demands, liabilities, action and causes of action that are unknown to the releasing or discharging party at the time of execution of the release and discharge. You hereby expressly waive, surrender and agree to forego any protection to which you would otherwise be entitled by virtue of the existence of any such statute in any jurisdiction including, but not limited to, the State of Texas.

Covenant Not to Sue: You, for yourself, your heirs, executors, administrators, successors and assigns agree not to bring, file, claim, sue or cause, assist, or permit to be brought, filed, or claimed any action, cause of action or proceeding regarding or in any way related to any of the claims described in the paragraph entitled “General Release” above, and further agree that this

General Release is, will constitute and may be pleaded as, a bar to any such claim, action, cause of action or proceeding. If you file a charge or participate in an investigative proceeding of the EEOC or another governmental agency, you will not seek and will not accept any personal equitable or monetary relief in connection with such charge or investigative proceeding.

No Other Understandings: This letter sets forth our entire agreement and understanding and supersedes any and all other agreements, either oral or in writing (including, but not limited to, that certain Employment Agreement previously entered into between you and the Company dated May 14, 2006, including any amendments thereto and any agreement and/or understanding pertaining to equity ownership in the Company), between the Company, any of its shareholders, members, and/or principals and you. No change to this letter will be valid unless in writing and signed by the Company and you.

409A Compliance: You and the Company intend that the payments and benefits provided for in this letter either be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") or be provided for in a manner that complies with Section 409A of the Code, and any ambiguity herein shall be interpreted so as to be consistent with the intent of this paragraph entitled "409A Compliance". In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Section 409A. Notwithstanding anything contained herein to the contrary, all payments and benefits under the paragraph entitled "Severance" above shall be paid or provided only at the time of a termination of your employment that constitutes a "separation from service" from the Company within the meaning of Section 409A of the Code and the regulations and guidance promulgated thereunder (determined after applying the presumptions set forth in Treas. Reg. Section 1.409A-1(h)(1)). Further, if you are a "specified employee" as such term is defined under Section 409A of the Code and the regulations and guidance promulgated thereunder, any payments described in the paragraph entitled "Severance" above shall be delayed for a period of six (6) months following your separation of employment to the extent and up to an amount necessary to ensure such payments are not subject to the penalties and interest under Section 409A of the Code.

Governing Law: This offer letter will be governed by and construed in accordance with the internal laws of the State of Texas.

Please confirm your acceptance of the terms of this letter by signing on the space provided below and returning this letter to the Company within twenty-one (21) days of your receipt of this letter.

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Chairman, Board of Directors

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Accepted this \_\_\_\_ day of \_\_\_\_\_, 2010.

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John Castle