

**LOCAL MARKETING AGREEMENT**

This LOCAL MARKETING AGREEMENT (this "Agreement") is entered into as of [\_\_\_\_\_] , 2005 (the "Effective Date"), by and among NEXTMEDIA OPERATING, INC., a Delaware corporation ("Programmer"), WILKS BROADCAST-LUBBOCK LLC, a Delaware limited liability company ("Wilks Broadcast Lubbock"), and WILKS LICENSE COMPANY-LUBBOCK LLC, a Delaware limited liability company ("Wilks License Lubbock") and, collectively with Wilks Broadcast Lubbock, "Licensee"), as licensee of radio broadcast station KBTE-FM, serving the Lubbock, Texas market (the "Station").

**RECITALS**

A. Wilks License Lubbock holds licenses from the Federal Communications Commission ("FCC" or "Commission") authorizing Licensee to operate the Station. Licensee has available broadcast time on the Station. Programmer and Licensee are parties to that certain Asset Purchase Agreement, dated as of May 26, 2005 (the "Purchase Agreement"), pursuant to which Programmer will sell to Licensee certain other assets used in connection with the operation of the Station, and the Commission licenses and other assets used in connection with other radio broadcast stations owned by Programmer.

B. Programmer desires to acquire time for the broadcast of programming on the Station and to sell all of the commercial advertising time inventory of the Station, pending the closing of the transactions contemplated by the Purchase Agreement (the "Closing"). Licensee desires to make available and provide such commercial advertising time to Programmer, pending the Closing. Accordingly, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, Programmer and Licensee, intending to be legally bound hereby, are entering into this Agreement.

**AGREEMENT**

1. Broadcast Time. Subject to the provisions of this Agreement, from and after the Commencement Date set forth in Section 1(b) below, Licensee agrees to make the Station available to Programmer for broadcast of Programmer's programs on the Station. The Station's time made available to Programmer is, subject to all other provisions of this Agreement, up to twenty-four (24) hours of programming each day, seven (7) days per week, during the term of this Agreement, except that Licensee reserves two (2) hours of the Station's time for Licensee's own use at a mutually agreeable time between 5:00 a.m. and 9:00 a.m. on Sunday mornings. Programmer will use its commercially reasonable efforts to provide programming that fills the Station's time made available hereunder.

(a) Payments. During each month of the term of this Agreement, commencing on the Commencement Date set forth in Section 1(b) below, Programmer agrees (i) to reimburse Wilks Broadcast Lubbock for all reasonable operating expenses incurred by Licensee in connection with its ownership of the Station, including, but not limited to, the following reasonable operating expenses of the Station: (A) the compensation of the employee of Wilks Broadcast Lubbock serving as the general manager of the Station and the employee or independent

contractor of Wilks Broadcast Lubbock serving as the engineer of the Station, not to exceed [\$ \_\_\_\_\_] per month in the aggregate for both such persons and (B) the employee benefits and payroll tax costs of both such persons not to exceed [\$ \_\_\_\_\_] per month in the aggregate for both such persons. All of the foregoing expenses shall be referred to as "Broadcasting's Operating Expenses" and the payment of such expenses (being referred to as the "Broadcasting Expense Payment") shall be made, by wire transfer of immediately available funds as follows: not later than 10 days prior to the beginning of each month (except with respect to the first month or partial month of this Agreement), Programmer shall pay to Licensee an amount equal to Licensee's good faith estimate of reimbursable expenses for such month, which shall be delivered to Programmer by Licensee not less than 2 business days prior to the date of such payment (the "Monthly Estimate"). On the Commencement Date, Programmer shall pay to Licensee an amount equal to Licensee's good faith estimate of reimbursable expenses for the first month or partial month of this Agreement, and such payment will constitute the "Monthly Estimate" for such month. Within ten (10) business days after the end of each month, Wilks Broadcast Lubbock shall deliver to Licensee a written account (each, a "Monthly Expense Report") of Broadcasting's Operating Expenses for such month. Any month where the Monthly Estimate is less than or greater than the actual aggregate expenses of Licensee for such month, as set forth on the Monthly Expense Report for such month, shall result in a dollar-for-dollar adjustment upwards or downwards, as the case may be, to the payment to be made by Programmer in respect of the Monthly Estimate for the next subsequent month. Upon termination of this Agreement, any difference in the Monthly Estimate for the month in which the termination occurs and the actual aggregate expenses of Licensee for such month up to the date of termination shall be promptly paid to Programmer or to Licensee, as applicable. For the purposes of this Agreement, a "month" means a calendar month. Licensee agrees to provide Programmer such documentation as Programmer may reasonably request in order to enable Programmer to verify Wilks Broadcast Lubbock's Monthly Expense Reports.

(b) Term. The term of this Agreement shall commence at 12:00 a.m., Central Time, on the date hereof (the "Commencement Date"), and shall continue until the first to occur of (i) the date of the Closing or (ii) if the Purchase Agreement is terminated for any reason, the date the KBTE Rescission Application (as defined in the Purchase Agreement) is approved by the Commission and the license for the Station is transferred to Programmer, provided that in no event shall the term of this Agreement exceed five (5) years.

2. Programs. Programmer shall furnish, or shall cause to be furnished, to the Station the artistic personnel and materials for Programmer's programming to be broadcast by the Station hereunder. Programmer represents and warrants that all of the programming, advertising, and promotional material that Programmer shall provide hereunder for broadcast on the Station shall be in compliance with the rules, regulations, policies and procedures of the Commission and the Communications Act of 1934, as amended (the "Communications Act"), all other applicable statutes, laws, rules, regulations, ordinances and other requirements of law, and the reasonable standards established by Licensee for broadcast programming on the Station, and shall not contain material that would expose either Licensee or Programmer to FCC sanctions or civil liability to any person or entity, including liability in tort or contract, for defamation, libel,

slander, infringement, unfair trade practice, invasion of right of privacy, misappropriation of right of publicity, or otherwise.

3. Licensee Responsibility. Licensee shall be responsible, at the cost and expense of Programmer, for the Station's compliance with all applicable provisions of the Communications Act, the rules, regulations, policies and procedures of the FCC, and all other applicable laws. Licensee will use its commercially reasonable efforts to hold all permits and authorizations assigned to it pursuant to the KBTE Purchase Agreement (as defined in the Purchase Agreement) throughout the term of this Agreement.

4. Handling of Mail and Complaints. During the term of this Agreement, Programmer shall promptly forward to Licensee any mail or other correspondence that Programmer may receive from any agency of government or any correspondence from members of the public relating to the Station or to any of Programmer's programming broadcast on the Station.

5. Programming and Operations Standards. Programmer recognizes that Licensee has full authority and a duty to control the operation of the Station. The parties agree that Licensee's authority includes, but is not limited to, the right to reject or to refuse all or such portions of Programmer's programming that Licensee reasonably believes to be contrary to the public interest.

6. Responsibility for Expenses. During the term of this Agreement, Programmer shall pay directly on a current basis licensing fees required to be paid to ASCAP, BMI and SESAC, and any other copyright or programming rights fees, in each case attributable to programming provided by Programmer for broadcast on the Station during the term of this Agreement.

7. Advertising and Programming Revenues. Programmer shall retain all revenues from the sale of advertising time in the programming that Programmer shall provide for broadcast on the Station. Programmer shall sell time to political candidates out of the time that Programmer purchases from Licensee in strict compliance with the Communications Act and the rules, regulations, policies and procedures of the Commission.

8. Operation of the Station. Anything to the contrary in this Agreement notwithstanding, Licensee shall have full authority and power over the operation of the Station during the term of this Agreement. Operating hereby grants to Licensee, for no consideration, a license to use any transmission facilities and studio space for the Station that may be owned by Operating to such extent as is necessary to permit Licensee to exercise such power and authority over the Station as is necessary to comply with the Communications Act and the rules, policies and procedures of the FCC. Licensee shall be responsible for all programming that Licensee shall furnish for broadcast on the Station and (subject to the reimbursement obligations of Programmer, as provided in Section 1(a) above) for the payment of the salaries of all of Licensee's employees, who shall report solely to and be accountable solely to Licensee. Licensee's general manager for the Station shall direct the day-to-day operation of the Station

and Licensee's engineer for the Station shall oversee and direct the engineering and technical operation of the Station. Licensee shall retain the right to interrupt and discontinue Programmer's programming at any time, if Licensee shall determine that such programming is not in the public interest or violates this Agreement, or in case of an emergency or an Emergency Alert System activation, or for the purpose of providing programming that Licensee in its sole discretion shall determine to be of greater national, regional or local importance. Programmer shall properly prepare and promptly provide to Licensee copies of all of Programmer's contracts, agreements, and requests for advertising on the Station for political programming or programming addressing controversial issues of public importance; all records, complaints, and reports of every kind whatsoever that may be required by the FCC to be maintained or filed with the FCC by the Station in connection with Programmer's programming on the Station; and full information with respect to Programmer's programs and public service announcements that are responsive to issues of public concern, in sufficient detail to enable Licensee to prepare, in a timely manner, all appropriate or necessary records and reports required by the Commission and its rules and policies concerning the Station's operations. Programmer will properly prepare and furnish to Licensee such information, records, and reports relating to Programmer's programming, sales or employment practices at the Station in sufficient detail as shall be necessary to enable Licensee to comply with all rules and policies of the FCC or any other governmental agency.

9. Station Identification Announcements. Licensee will be responsible for ensuring the proper broadcast of station identification announcements by the Station. However, Programmer will provide appropriate station identification announcements that comply with FCC requirements in a form acceptable to Licensee.

10. Right to Use the Programs. The right to use Programmer's programs and to authorize their use in any manner and in any media whatsoever shall be, and shall remain, vested in Programmer.

11. Payola/Plugola. Programmer agrees that neither it nor any of its agents, employees, consultants, or personnel will accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, material, supplies or other merchandise, goods, services, or labor (collectively "Consideration"), whether or not pursuant to written contracts or agreements between Programmer and merchants or advertisers, unless the payer is identified in the program for which such Consideration was provided as having paid for or furnished such Consideration, in accordance with the Communications Act and FCC requirements.

12. Compliance with Law. Programmer represents to Licensee that Programmer is an experienced radio broadcasting station owner and operator and is familiar with the Commission's material rules, regulations, policies, and procedures, and all other laws, statutes, rules, regulations, governmental policies, governmental procedures, and other material requirements of law governing the lawful operation of stations such as the Station. Programmer agrees that, throughout the term of this Agreement, Programmer will comply with all laws, rules, regulations, policies, and procedures including, but not limited to, the FCC's technical, political

broadcasting, obscenity and indecency regulations, fair trade practice regulations, lottery broadcast regulations, sponsorship identification rules and sales practice regulations, that are applicable to the operations of the Station, and all FCC rules applicable to programming agreements of this kind. Programmer acknowledges that Licensee has not urged, advised or consented to or agreed in any way whatsoever to the use of any unfair business practice.

13. Indemnification.

(a) Programmer's Indemnification. Programmer shall indemnify Licensee for, and shall hold Licensee harmless from, any material loss, damage, or injury of any kind (including, but not limited to, reasonable attorneys' fees and court costs) sustained or incurred by Licensee resulting from Programmer's breach of or default under this Agreement, from any programming material broadcast by Programmer on the Station, from the sale of or attempt by Programmer to sell advertising or program time on the Station, from any breach of any of Programmer's representations and warranties to Licensee contained in this Agreement, and from any act or omission of Programmer in connection with this Agreement.

(b) Wilks Broadcast Lubbock's Indemnification. Wilks Broadcast Lubbock shall indemnify Programmer for, and shall hold Programmer harmless from, any material loss, damage, or injury of any kind (including, but not limited to, reasonable attorneys' fees and court costs) sustained or incurred by Programmer resulting from Licensee's breach of or default under this Agreement, from the broadcast of programming on the Station furnished by Licensee, from the sale of or attempt by Licensee to sell advertising or program time on the Station, and from any breach of any of Licensee's representations and warranties to Programmer contained in this Agreement.

(c) Procedure for Indemnification. Any party seeking indemnification under this Agreement shall do so in accordance with, and the parties will be bound by, the procedures set forth in the indemnification provisions of the Purchase Agreement, provided, however, that the caps and baskets set forth in Section 11 of the Purchase Agreement shall be disregarded for all purposes herein and any indemnity afforded hereunder shall not be credited against any such cap or basket.

14. Termination and Remedies Upon Default.

(a) Termination. In addition to other remedies available at law or in equity, this Agreement may be terminated as set forth below by either Licensee or Programmer, by written notice to the other party if the party seeking to terminate is not then in material default or breach of its obligations hereunder, upon the occurrence of any of the following:

(i) This Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction, and such order or decree shall have become final and shall no longer be subject to further administrative or judicial review;

(ii) The other party shall be in material default or breach of its representations, warranties, covenants, or obligations hereunder, and shall have failed to have cured such default or breach within thirty (30) days of notice from the terminating party;

(iii) The mutual consent of both parties;

(iv) There shall have been a change in FCC rules, policies, or case law that would cause this Agreement or any material provision hereof to be in substantial violation thereof, and such change shall not be the subject of an appeal or further administrative or judicial reconsideration or review.

Upon termination of this Agreement according to the provisions of this Section 14, the payments and reimbursements provided for hereunder shall be prorated to the effective date of termination and paid by Programmer to Licensee promptly thereafter. Licensee shall cooperate reasonably with Programmer to the extent necessary to enable Programmer to fulfill advertising or other programming contracts then outstanding, in which event Licensee shall receive as compensation for the carriage of such advertising or programming that consideration which shall have already been paid to Programmer, or which otherwise would have been paid to Programmer.

The termination of this Agreement shall not relieve either party of its obligations to the other party for pre-termination breaches of, or defaults under, this Agreement.

(b) Programmer's Additional Termination Rights. Anything herein to the contrary notwithstanding and in addition to Programmer's termination rights in Section 14(a) above, Programmer shall have the right to terminate this Agreement in the event that Licensee shall make a general assignment for the benefit of Licensee's creditors, shall file or have filed against Licensee a petition for relief under any bankruptcy or reorganization law, or for an arrangement for the benefit of Licensee's creditors, or for the appointment of a receiver, trustee, or similar creditors' representative for the property or assets of Licensee under any federal or state insolvency law, which, if filed against Licensee, shall not have not been dismissed within sixty (60) days thereof.

(c) Licensee's Additional Termination Rights. Anything herein to the contrary notwithstanding and in addition to Licensee's termination rights in Section 14(a) above, Licensee shall have the right to terminate this Agreement in the event that Programmer shall make a general assignment for the benefit of Programmer's creditors, shall file or shall have filed against Programmer a petition for relief under any bankruptcy or reorganization law, or for an arrangement for the benefit of Programmer's creditors, or for the appointment of a receiver, trustee or similar creditors' representative for the property or assets of Programmer under any federal or state insolvency law, which, if filed against Programmer, shall not have been dismissed within sixty (60) days thereof.

15. Force Majeure. Any failure or impairment of facilities, any delay or interruption in broadcast programming, or any failure at any time to furnish facilities, in whole or in part, for

broadcasting, due to any act of God, strikes or threats thereof, war, acts of terrorism, civil disturbance, force majeure, or cause beyond the reasonable control of Licensee or Programmer, shall not constitute a breach of this Agreement, and neither Licensee nor Programmer, as the case may be, will be liable to the other party therefor; provided, however, that each party shall use reasonable diligence to correct such failure or impairment as soon as is reasonably possible, provided further, however, that Programmer's inability or failure to sell advertising time or to deliver programming or commercial matter on account of any of the foregoing circumstances shall not release Programmer from its obligation to make the payments required in Section 1(a) above during the term of this Agreement.

(a) Notices. All notices, requests, consents, waivers and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been given (i) if transmitted by facsimile, upon acknowledgment of receipt thereof in writing by facsimile or otherwise; (ii) if personally delivered, upon delivery or upon refusal of delivery by the addressee; (iii) if mailed by registered or certified United States mail, return receipt requested, postage prepaid, upon delivery or upon refusal of delivery by the addressee; or (iv) if sent by a nationally-recognized overnight delivery service, upon delivery or upon refusal of delivery by the addressee. All notices, requests, consents, waivers or other communications required or permitted to be given hereunder shall be addressed to the respective party to whom such notice, request, consent, waiver or other communication relates at the following addresses:

if to Licensee:

c/o Wilks Broadcasting Group LLC  
3775 Mansell Road  
Alpharetta, Georgia 30022  
Attn: Jeff Wilks  
Fax: (770) 772-5103

with a copy to:

The Wicks Group of Companies, L.L.C.  
405 Park Avenue  
New York, New York 10021  
Attn: Craig B. Klosk  
Fax: (212) 223-2109

and:

Golenbock, Eiseman, Assor, Bell & Peskoe LLP  
437 Madison Avenue  
New York, New York 10022  
Attn: Lawrence Haut, Esq.  
Fax: (212) 754-0330

if to Programmer:

NextMedia Operating, Inc.  
6312 South Fiddlers Green Circle  
Suite 360E  
Englewood, Colorado 80111  
Attn: Mr. Sean Stover  
Mr. Samuel Weller  
Fax: (303) 694-4940

with a copy to:

Leibowitz & Associates, PA  
1 SE Third Ave  
Suite 1450  
Miami, FL 33131  
Attn: Matthew L. Leibowitz, Esq.  
Fax: (305) 530-1322

and:

Weil Gotshal & Manges LLP  
200 Crescent Court, Suite 300  
Dallas, Texas 75201  
Attn: Glenn D. West, Esq.  
John E. Quattrocchi, Esq.  
Fax: (214) 746-7777

16. Amendments and Waivers. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

17. Corporate Authority; Construction. The parties represent and warrant that they have full corporate or limited liability company authority, as the case may be, to execute and

deliver this Agreement. The obligations of the parties hereto are subject to all federal, state and local laws and regulations now or hereafter in force and to the rules, regulations, policies and procedures of the Commission and all other governmental entities or authorities presently or hereafter to be constituted.

18. Governing Law. This Agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement), shall be governed by and construed in accordance with the internal laws of the State of Delaware. Any action against any party relating to the foregoing shall be brought in any federal or state court of competent jurisdiction located within the State of Delaware, and the parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of any federal or state court located within the State of Delaware over any such action. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection that they may now or hereafter have to the laying of venue of any such action brought in such court or any defense of inconvenient forum for the maintenance of such action.

19. Headings. The headings contained in this Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

21. No Partnership or Joint Venture Credited. Programmer is acting as an independent contractor hereunder and nothing in this Agreement shall be construed to make Licensee and Programmer partners or joint venturers or to make Licensee or Programmer the agent of the other or to afford any rights to any third party other than as expressly provided herein.

22. Assignment; Binding Agreement. This Agreement shall not be assignable by either of the parties hereto without the prior written consent of the other party. No assignment shall relieve the assigning party of its obligations hereunder.

23. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

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24. Entire Agreement. This Agreement (including the schedules and exhibits hereto), together with the Purchase Agreement, represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof.

25. No Third Party Beneficiaries. This Agreement shall not confer any benefit upon, nor create any right or any cause of action in favor of, or on behalf of, any person other than the parties hereto and their respective successors and permitted assigns.

26. Certifications. Licensee hereby certifies that for the term of this Agreement Licensee shall maintain ultimate control over the Station's facilities, including specifically control over the Station's finances, personnel, and programming, and nothing herein shall be interpreted as depriving Licensee of such ultimate control. Programmer hereby certifies that Programmer's execution and delivery of, and Programmer's performance of its obligations under, this Agreement complies and will comply with the restrictions on ownership of media set out in the Commission's rules and regulations.

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IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

**PROGRAMMER:**

NEXTMEDIA OPERATING, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**LICENSEE:**

WILKS BROADCAST-LUBBOCK LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

WILKS LICENSE COMPANY-LUBBOCK LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_