

Provided, That for leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

Rental or minimum royalty for land of the United States subject to this agreement shall be paid at the rates specified in the respective Federal leases, or such rental or minimum royalty may be waived, suspended, or reduced to the extent authorized by law and applicable regulations.

Royalties and rentals for lands of the State of Wyoming shall be paid at the rate specified under the respective leases.

Unitized substances produced from any participating area and used therein in conformity with good operating practice for drilling, operating, camp, or other production or development purposes or under an approved plan of operation for repressuring or cycling said participating area shall be free from any royalty or other charge, except as to any products extracted from gas so used. If Operator introduces gas into any participating area hereunder from sources other than such participating area for use in repressuring, stimulation of production or increasing ultimate recovery in conformity with a plan first approved by the Federal Oil and Gas Supervisor, a like amount of gas may be sold without payment of royalty as to dry gas but not as to the products extracted therefrom, provided that gas so introduced shall bear a proportionate and equitable share of plant fuel consumption and shrinkage in the total volume of gas processed from such participating area; and provided further that such withdrawal shall be at such time as may be provided in the plan of operation or as may otherwise be consented to by the Supervisor as conforming to good petroleum engineering practice; provided, however, that said right of withdrawal royalty free shall terminate on termination of the Unit Agreement.

Royalty shares of the unitized substances (except the shares of the United States and the State of Wyoming) shall be subject to all taxes lawfully levied thereon or measured thereby, and the Unit Operator is authorized to pay and advance said taxes and charge same to and deduct the same from the accounts of the owners of royalty interests herein. Taxes on land or on mineral interests in place