

and casinghead gas prevailing in the field where produced for oil, gas and casinghead gas of like quality, provided that no overriding royalty shall be paid or shall accrue upon any oil, gas or casinghead gas used for operating, development or production purposes upon any of the lands above described or unavoidably lost, and no overriding royalty shall be payable upon gas and casinghead gas used for recycling or repressuring operations directly or indirectly benefiting the lands described above.

B. In computing the amounts to be paid the Assignee hereunder, as above provided, Northern shall have the right to deduct from the value of the oil, gas, casinghead gas or proceeds thereof upon which said overriding royalty is computed, the full amount of any taxes now or at any time hereafter required to be paid on said oil, gas and casinghead gas for or on account of the production or sale thereof, including the amount of any so-called gross production or severance taxes.

C. Northern shall not be required to take cognizance of any assignment or transfer of the right to receive the overriding royalty herein assigned or of any interest therein unless and until Northern shall have been furnished with acceptable legal evidence of such assignment or transfer, whether made by deed, by testamentary proceedings, or otherwise. In the event of a dispute at any time concerning the right to receive any payment as herein contemplated, Northern may hold such payment without interest until such dispute be settled. Northern may, until specifically notified in writing of any claim adverse thereto, rely upon any certified copy of and, in making payments hereunder, give effect to any decree or order of any court of record and the recital contained therein, and any instrument of conveyance, certificate of sale, or release executed by any executor or administrator, guardian or conservator, public officer or officer or appointee of any court, all irrespective of