After payout, all substances produced from such gas reservoir and not required for the payment in cash or in kind of all outstanding royalties and overriding royalties shall be owned as follows:

El Paso	50%
Continental	25%
Malco	25%.

All wells completed in such gas reservoir and all equipment and personal property acquired hereunder by El Paso for the operation of such gas reservoir and all proceeds derived from such equipment and personal property shall be shared by the aforementioned parties and their successors in interest in proportion to their then respective interests in the substances produced from such gas reservoir, it being recognized that a change in the proportionate interests in such wells, equipment, and personal property shall occur with the payout.

El Paso, as the Operator of such gas reservoir, shall, however, have the right to use free of cost in conjunction with its operation of said gas reservoirs any substances produced from such gas reservoirs.

In the event that in Continental's opinion El Paso has not proceeded with due diligence in the development of any such gas reservoir, then Continental at its option may defer the time at which its overriding royalty shall terminate and its 25% gas interest become effective until such time as Continental shall then or thereafter specify.

C. <u>Division of Expenditures</u>

Subject to reimbursement as hereinafter