

provisions of Article I (hereinafter termed "gas"), produced  
from the subject lands;

NOW, THEREFORE, in consideration of the mutual covenants  
and agreements herein contained, the receipt and sufficiency of  
which are mutually acknowledged, the parties hereto covenant and  
agree with each other as follows:

#### ARTICLE I

##### Dedication and Reservation

Section 1. Seller hereby dedicates to the performance of  
this agreement all of Seller's interests in natural gas which  
may be produced from the subject lands, reserving, however, to  
Seller the following:

(a) The right to process or to have processed for it, gas  
produced from the subject lands and to use necessary gas for fuel  
for such processing and, as between Buyer and Sellers, the right  
to retain and dispose of (free from any and all claims by Buyer)  
all right, title and claim to (1) any and all liquids recovered  
by or for Sellers from the gas and (2) any and all hydrocarbons  
absorbed from the gas and thereafter vaporized; provided that  
the processing of the gas for the liquids and for the extraction  
of ethane vapors together with such methane vapors as cannot be  
economically separated under normal processing operations, shall  
not prevent the gas from conforming to specifications as to quality  
as provided in Article IV hereof.

(b) All gas which may be required by Seller for:

(1) Lease fuel, drilling, developing and operating in  
connection with development and operation of the subject lands,