

27
which are being contested in good faith, promptly after
the final determination of such contest), all ad valorem
taxes (or taxes imposed in lieu thereof) and other similar
taxes or assessments which may be levied upon or assessed
against the properties described in Exhibit "A", and all
taxes and assessments (other than taxes on or measured by
the income or profits of the Grantee) which may be levied
upon or assessed against the production payment herein con-
veyed or measured by the production of oil or gas accruing
thereto or against the Grantee by reason of its ownership
of this production payment, and including also any interest
or penalty payable in connection therewith.

The Grantor further covenants that until the
Grantee shall have received all proceeds of sale of oil and/or
gas to which the Grantee is entitled hereunder, the Grantor
will continuously operate or cause to be operated, the
properties described in Exhibit "A" for the production of
oil and/or gas in a good and workmanlike manner and in
accordance with all applicable governmental laws, rules
and regulations, and in accordance with approved practices
in the industry, and that the Grantor will pay, or cause to
be paid, all operating charges and expenses, taxes, royal-
ties and rentals, and fulfill, or cause to be fulfilled,
all express and implied obligations of the lessee under
the terms of each of the leases and leasehold interests des-
cribed in Exhibit "A", and will keep this production pay-
ment free and clear of all liens, encumbrances and adverse
claims. The Grantor further covenants that it has complied
with and will duly comply with and fulfill all covenants
required to be fulfilled in order to prevent any forfeiture