

Grantor. If the Grantee does not serve such notice within the period of 20 days, there shall be no further obligation of the Grantor to the Grantee in connection with such lease.

Should the Grantor in any respect fail to perform and observe any of the covenants and conditions herein provided to be performed or observed by the Grantor and such failure continue for thirty (30) days after demand in writing for performance and observance, the Grantee or its assigns, in addition to all other rights which the Grantee or its assigns may have hereunder, shall have the right to apply to a court of equity and obtain the appointment of a receiver to take possession of the Grantor's interests in the properties and interests described in Exhibit "A", such receiver to operate said interests or cause the same to be operated and to market the oil or gas produced therefrom, applying the proceeds thereof in accordance with the respective rights and interests of the Grantor and the Grantee.

Within 30 days after demand by the Grantor, the Grantee will subscribe to any cooperative or unit plan for the development and operation of any of the properties and interests described in Exhibit "A" as the Grantor may request.

In the case of any lease from the United States described in Exhibit "A", to the extent that the interest hereby assigned, when added to the overriding royalties or payments out of production previously created, and to the royalty payable to the United States, aggregates in excess of 17-1/2%, then the interest hereby assigned shall, to the extent of such excess, be suspended when and so long as the average production per well per day averaged on the monthly basis is (i) as to oil, 15 barrels or less, and (ii) as to gas, 500,000 cubic feet or less, and such suspension shall apply separately to any zone or portion of any such lease segregated for computing government royalty.

The purchase price for this production payment being the sum of Five Hundred Thousand (\$500,000.00) Dollars, shall be payable upon execution and delivery of this instrument, and the Grantor shall have no right to terminate this