

the retroactive effect of the commitment, for all benefits accruing to or payments and expenditures made or incurred on behalf of such surrendered working interest during the period between the date of surrender and the date of recommitment, and payment of any moneys found to be owing by such an accounting shall be made as between the parties then signatory to the unit operating agreement and this agreement within thirty (30) days after the recommitment. The right to become a party to this agreement and the unit operating agreement as a working interest owner by reason of a surrender or forfeiture as provided in this section shall not be defeated by the nonexistence of a unit operating agreement and in the event no unit operating agreement is in existence and a mutually acceptable agreement between the proper parties thereto cannot be consummated, the Supervisor may prescribe such reasonable and equitable agreement as he deems warranted under the circumstances.

Nothing in this section shall be deemed to limit the right of joinder or subsequent joinder to this agreement as provided elsewhere in this agreement. The exercise of any right vested in a working interest owner to reassign such working interest to the party from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

#### TAXES

31. The working interest owners shall render and pay for their account and the account of the royalty owners and other persons having interests in the unitized lands all valid taxes on or measured by the unitized substances that may be produced, gathered or sold from the land subject to this agreement after the effective date of this agreement, or upon proceeds or net proceeds derived therefrom. Working interest owners on each tract shall charge the proper proportion of said taxes (based on the unitized substances allocated to each tract as herein provided) to the royalty owners and other persons having interests in said tract, and currently retain and deduct sufficient of the unitized substances or derivative products, or net proceeds thereof from the allocated shares of each royalty owner and other persons having interests in said tract to secure reimbursement for the taxes so paid. As among the working interest owners, the manner of payment of such taxes and the adjustment thereof may be handled as provided in the unit operating agreement. No such taxes shall be charged to the United States, or to the State in which said lands are located, or to any person who has a contract with a lessee which requires the lessee to pay such taxes. Taxes on land or on mineral or royalty interests shall be paid by the owner thereof.

#### NO PARTNERSHIP

32. It is expressly agreed that the relation of the parties hereto is that of independent contractors and nothing in this agreement contained, expressed or implied, nor any operations conducted hereunder, shall create or be deemed to have created a partnership or association between the parties hereto or any of them.

#### STATE LAND PROVISIONS

33. Certain of the unitized lands are public lands of the State of Wyoming, and in connection with the approval of this agreement by the Board of Land Commissioners of said state pursuant to Chapter 24, Article 7, Section 24-701, Wyoming Compiled Statutes, 1945, as amended by Chapter 157, Session Laws 1951 and Federal regulations, it is agreed that there shall be filed with the Commissioner of Public Lands of said state:

- (a) Two copies of the complete Unit Agreement and two copies of any revised Exhibits "A" and "B" concurrently with the filing thereof with the Supervisor, pursuant to Section 2 hereof.