

First National Bank of Casper.

5. In computing the amount of the overriding royalty payable hereunder, Assignee shall have the right to deduct, or cause to be deducted, from the amount or value of the oil, gas, casinghead gas or other gaseous substances, or the proceeds thereof, upon which said overriding royalty is computed, the full amount of any taxes required to be paid on such oil, gas, casinghead gas or other gaseous substances, or on the value or proceeds thereof, or for or on account of the production, sale, or transportation thereof, including any so-called gross production or severance taxes.

7. If, at any time, there shall be more than six parties entitled to receive said overriding royalty payments, then Assignee shall have the right to withhold, without obligation to pay interest thereon, all said payments, unless and until all of the parties entitled thereto shall designate, in writing, in a recordable instrument to be delivered to Assignee, trustee to receive all said payments, to execute division orders and to act in all matters involving the overriding royalty to which they are entitled for and on their behalf and on behalf of their respective successors in title.

10. Notwithstanding the grant to Assignor of the above described overriding royalty, Assignee shall have the exclusive right, as between the parties hereto, to develop and operate all of the above described land and every part thereof to such extent and in such manner as Assignee shall determine to be proper, without incurring any liability whatever to Assignor and nothing herein contained shall be deemed, as between the parties hereto to obligate Assignee or Assignee's successors in interest in said lease to drill for, produce or market oil, gas, casinghead gas or other gaseous substances from the above described land, or to continue the production therefrom for the benefit of Assignor.

assignor hereby releases, defends and indemnifies the assignee from and against all claims, damages, losses, costs and expenses, including reasonable attorneys' fees, that may be asserted against or incurred by the assignee in connection with or arising out of this assignment, whether or not such claims, damages, losses, costs and expenses are caused in whole or in part, and from time to time, and upon the happening of such event and thereupon he fully and completely satisfied and discharged from all and not then accrued liabilities and all obligations to assignor hereunder and under any lease to the extent that he has been released.

Assignor hereby agrees not to discriminate against any employee

#### 14. Special Provisions.

ATTEST:

PHILLIPS PETROLEUM COMPANY

(NEW MEXICO ACKNOWLEDGMENT — MAN AND WIFE)

STATE OF..... } SS.  
COUNTY OF..... }

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Given under my hand and seal this.....day of....., 19.....

Residing at.....

(COLORADO ACKNOWLEDGMENT)

STATE OF..... } SS.  
COUNTY OF..... }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,

WITNESS my hand and official seal.

Residing at.....