

SCHEDULE "A"

The Two and one-half (2½) Per Cent reserved royalty of Assignor shall only be payable in money, as Assignor shall not have the right to take such royalty in kind, and shall be payable at the same time as Lessor's royalty payments are made. The Two and one-half (2½) Per Cent reserved royalty shall be subject to its pro rata share of all taxes and all other expenses.

The value of Assignor's royalty shall be determined as hereinafter set forth:

OIL: The quantity and gravity of the oil shall be determined in accordance with A.P.I. Bulletin No. 25 in its then latest revision.

The value of the oil shall be computed on the basis of the posted prices of Standard Oil Company of California, Ohio Oil Company, Continental Oil Company, Socony-Vacuum Oil Company, General Petroleum Corporation, Utah Oil and Refining Company, Tide Water Associated Oil Company, The California Company, Stanolind Oil and Gas Company, Phillips Petroleum Company, The Texas Company, Sinclair Oil and Gas Company, The Carter Oil Company, Richfield Oil Corporation, or Union Oil Company of California, or any of them whichever may be highest, applicable for oil of like quality and gravity at the well in the field where produced, at the time of production. If the oil produced from said lands shall require treatment or dehydration to render it marketable, Assignor shall pay Assignee, as agreed compensation for handling such oil, at the rate of Five Cents (5¢) per barrel on Assignor's share of royalty oil, which Assignee may currently deduct from any monthly payments or settlements to Assignor:

GAS: The value of gas shall be computed on the basis of the price actually received by Assignee per thousand (1,000) cubic feet of gas in its natural state at the well, and in event Assignee shall deliver the gas to a purchaser at a place off the premises, Assignee shall be entitled to deduct from the price actually received by Assignee an amount equal to the cost of transporting the gas from the well to the place of delivery. Assignor shall not be entitled to receive any royalty on gas produced in the absence of a market therefor.

GASOLINE: If natural gasoline is manufactured by Assignee from gas produced from said lands, then the royalty payable to Assignor shall be an amount equal to Two and one-half (2½) Per Cent of Forty (40%) Per Cent of the value of natural gasoline so manufactured. If gas is sold by Assignee for the purpose of manufacturing natural gasoline on a basis whereby a royalty is reserved to Assignee, then Assignor shall be entitled to an amount equal to Two and one-half (2½) Per Cent of the value of the said royalty so reserved by Assignee. The value of the gasoline shall be computed on the basis of the price per gallon received by Assignee, or the prevailing market price at the plant where manufactured and produced.

Nothing in this paragraph contained shall require Assignee to market or dispose of gas or gasoline in the absence of a market therefor and Assignee shall incur no liability to Assignor for failure to market or dispose of gas or gasoline.

The overriding royalty herein reserved shall be paid to Assignor by mailing or delivering a check therefor to Assignor at 601 Continental Oil Bldg., Denver 2, Colorado, provided, however, that in the event there is a division of Assignor's interest requiring Assignee to pay said overriding royalty in more than one check, Assignee may withhold payments accruing under said overriding royalty so divided until said Assignor and/or his Assigns shall designate a Depositary to which Assignee may pay such overriding royalty and such payment or tender shall relieve Assignee from seeing to the proper distribution thereof. Such Depositary or any successor is authorized to receipt for all payments or tenders referred to and shall continue as Depositary with respect to any and all sums payable, regardless of any changes in ownership in said overriding royalty to accrue hereunder.

71189

RECORDED August 26, 1960, 2:00 P. M.  
IN BOOK 28 Vol. 4 pag. 639  
FEES \$ 3.20 PAYMENT Sublette County Clerk  
SUBLETTE COUNTY, PINEDALE, WYOMING

BUREAU OF LAND MANAGEMENT

Cheyenne, Wyoming

I hereby certify that the above and foregoing is a true and correct copy of Sublette County Assignment Register W-021479 as of this date  
Dated this 11 day of MAY 1960

At 11:00 A.M.  
Cecil L. Hale  
Manager