

casinghead gas and other hydrocarbon substances produced, saved and sold from the lands and under the lease described on said Exhibit "A".

Assignor agrees to deliver or cause to be delivered such percentage of all of the oil, gas, and other hydrocarbon substances produced and saved from said lands under the terms and provisions of said lease, as an overriding royalty at the well or wells on said lands, to Assignee or to Assignee's credit in the pipe line or lines to which such well or wells may be connected, free and clear of all drilling, developing, and operating costs and expenses, but Assignee shall bear and pay all taxes of every nature whatever which may now or hereafter be applicable to or in any manner connected with or a lien upon Assignee's overriding royalty interest or the production therefrom. It is expressly provided that no overriding royalty shall be paid or shall accrue upon any oil, gas, casinghead gas, or other hydrocarbon substances used for operating, development, or production purposes upon said lands or unavoidably lost, and no overriding royalty shall be payable upon gas and casinghead gas used for recycling or repressuring operations benefiting said lands.

No obligations, either express or implied, shall arise by reason of the assignment herein to Assignee of an overriding royalty interest, which shall obligate Assignor to keep and maintain said oil and gas lease in force and effect either by the payment of rentals, compensatory royalties or other payments, or by the drilling of any well or wells upon the lands covered thereby with respect to which an overriding royalty interest in said lease is herein assigned, it being expressly understood that Assignee is to receive said overriding royalty interest in such production only out of the oil, gas and other hydrocarbon substances, if, as and