

quest. With the prior written consent of the Grantor the Grantee may from time to time enter into pooling, unitization or communitization agreements not specifically provided for hereinabove. The interest in any unit created in accordance with the provisions of this Section accruing or attributable to any of the Subject Interests (or any portion thereof) included therein shall become a part of the Subject Interests and shall be subject to the Texas Pacific Production Payment hereunder, in the same manner and with the same effect as though such unit and the interest of the Grantee therein were specifically described herein.

SECTION 7.4. *Certain Separate Assignments.* It is understood and agreed that with respect to oil, gas and mineral leases which, or interests in which, are included in the Subject Interests, from the United States of America or from one or more States or agencies thereof, or from Indian tribes, bands or groups or on lands allotted to Indians in severalty, separate assignments on approved forms may be executed by Grantor to Grantee, in sufficient counterparts to fulfill applicable statutory and regulatory requirements, and that said assignments, although unqualified in form or, in the case of leases or interests therein from the United States of America not specifically containing all of the terms and provisions hereof, shall be deemed to contain all of the exceptions, exclusions, retentions, reservations, rights, titles, interests, estates, remedies, powers and privileges set forth herein which constitute the Texas Pacific Production Payment as fully to all intents and purposes as though the same were set forth at length in each such assignment. The interests conveyed by such separate assignments are the same as, and not in addition to, interests herein conveyed.

SECTION 7.5. *Failure of Title, etc.* No transfer by the Grantor to the Grantee of any part of the Subject Interests and no failure of title to, or abandonment of, any part of the Subject Interests shall have the effect of reducing the Production Payment Percentages referred to above in Section 1.1 as to the Subject Interests as constituted after said transfer, failure of title or abandonment, or of reducing the amount of the Texas Pacific Production Payment or of creating any offset or other prejudice to the Texas Pacific Production Payment; and

the Texas Pacific Production Payment shall continue in full force and effect as to all other Subject Interests.

SECTION 7.6. *Successors and Assigns.* All the covenants and agreements of the Grantee and the Grantor herein contained shall be deemed to be covenants running with the land. All of the provisions hereof shall inure to the benefit of and be binding upon the respective successors and assigns of the Grantor and the Grantee. All references herein to either the Grantor or the Grantee shall include their respective successors and assigns, except that the term "Grantor" as used in Section 1.1 (through and including Subsection D thereof), and Sections 5.1 and 7.4 shall not include the Assignee referred to in Part II of this Conveyance or any successors and assigns of such Assignee and the term "Grantor" as used in this Conveyance shall not include any collection agent of any mortgagee or assignee for security purposes of the Grantor appointed by such mortgagee or assignee with the consent of the Grantee.

PART II

Conveyance of Production Payment

WHEREAS, Assignor by Part I hereof has heretofore conveyed to the Grantee the "Subject Interests" (as that term is defined in said Part I), excepting and excluding therefrom, and retaining and reserving to itself, its successors and assigns, the Texas Pacific Production Payment described and defined in Article First of said Part I (herein called the "Texas Pacific Production Payment"), reference being hereby made to said Part I and *Exhibit A* and *Exhibit B* thereto and hereto for a more complete statement of the Subject Interests and the rights, titles, interests, estates, remedies, powers and privileges constituting and appertaining to the Texas Pacific Production Payment; and

WHEREAS, PART I hereof in no way limits or restricts the right of the Assignor to sell, convey or assign the Texas Pacific Production Payment in whole or in part,

Now, THEREFORE

The Assignor, for valuable consideration to it in hand paid by the Assignee, the receipt and sufficiency of which are hereby acknowl-