

318

therewith, any new drilling or development, any proposed abandonment of a well, any plugging of any well and reopening the same at a different level, any method of repressuring in the field, or any other action with respect to the Property, the decision as to which may increase or reduce the volume of the Minerals ultimately recoverable from the Property, or the rate of production therefrom, or which may shorten or prolong the period of time required for the discharge of the Production Payment.

B. Within 90 days after the end of each calendar month, a report showing, for such calendar month, the gross proceeds of the sale of the Subject Minerals (including Minerals purchased by the Assignees for their own use), the quantities so sold, the taxes, royalties, and overriding royalties, and other costs and expenses deducted from or paid out of such proceeds, the net proceeds of Production Payment Minerals receivable by Assignor out of said gross proceeds, and the number of wells operated, drilled, and abandoned.

3.4. Access to Property. The Assignees will permit any one or more representatives designated by Assignor at any reasonable time to make such inspection of the Property and the Assigned Appurtenances as such representatives shall deem proper, and will furnish to Assignor, if and whenever requested, such detailed information as the Assignees may have concerning the Property, the operation thereof, and the production and processing of Minerals therefrom.

#### ARTICLE FOURTH

##### Warranty of Title

4.1. Warranties of Assignor. Subject to the Production Payment, Assignor hereby binds himself to warrant and forever defend, all and singular, the property and interests referred to in Sub-section A of Section 1.1 and described above, subject to the matters referred to in said Sub-section A, and the Assigned Appurtenances unto the Assignees, their successors and assigns, against