

1 their respective lease obligations for the payment of any royalties due under 1
2 their leases. 2

3 If gas obtained from lands not subject to this agreement is introduced 3
4 into any participating area hereunder, for use in repressuring, stimulation 4
5 of production, or increasing ultimate recovery, which shall be in conformity 5
6 with a plan first approved by the Supervisor, a like amount of gas, after 6
7 settlement as herein provided for any gas transferred from any other participat- 7
8 ing area and with due allowance for loss or depletion from any cause, may be 8
9 withdrawn from the formation into which the gas was introduced, royalty free as 9
10 to dry gas, but not as to the products extracted therefrom; provided that such 10
11 withdrawal shall be at such time as may be provided in the plan of operations 11
12 or as may otherwise be consented to by the Supervisor as conforming to good 12
13 petroleum engineering practice; and provided further, that such right of with- 13
14 drawal shall terminate on the termination of this unit agreement. 14

15 Royalty due the United States shall be computed as provided in the 15
16 operating regulations and paid in value or delivered in kind as to all unitized 16
17 substances on the basis of the amounts thereof allocated to unitized Federal 17
18 land as provided herein at the rates specified in the respective Federal leases, 18
19 or at such lower rate or rates as may be authorized by law or regulation; 19
20 provided, that for leases on which the royalty rate depends on the daily 20
21 average production per well, said average production shall be determined in 21
22 accordance with the operating regulations as though each participating area were 22
23 a single consolidated lease. 23

24 15. RENTAL SETTLEMENT. Rental or minimum royalties due on leases 24
25 committed hereto shall be paid by working interest owners responsible therefor 25
26 under existing contracts, laws and regulations, provided that nothing herein 26
27 contained shall operate to relieve the lessees of any land from their respec- 27
28 tive lease obligations for the payment of any rental or minimum royalty in 28
29 lieu thereof due under their leases. Rental or minimum royalty for lands of 29
30 the United States subject to this agreement shall be paid at the rate specified 30
31 in the respective leases from the United States unless such rental or minimum 31
32 royalty is waived, suspended, or reduced by law or by approval of the Secretary 32
33 or his duly authorized representative. 33

34 With respect to any lease on non-Federal land containing provisions which 34