

royalty shall be payable hereunder as to that part or portion of said lands as to which it may be determined that the oil and gas rights therein were not owned by the Lessors on said date;

- (3) that Assignor owned on the date of delivery of said assignment a lesser interest in the rights, estate and interest granted to the Lessee by said lease than the whole thereof, then said overriding royalty reserved hereunder shall be proportionately decreased and reduced so that Assignor shall be paid said overriding royalty only in the proportion which the rights, estate, and interest so owned by Assignor bears to the whole of said rights, estate, and interest granted to the Lessee by said lease.

In the event there are royalties payable with respect to, or charges or burdens on, or payments out of production of, oil and gas, which heretofore have been granted, excepted or reserved from said lands, or from said lease, or which are otherwise outstanding as to said oil and gas, such other or further royalties, charges, burdens, or payments shall be wholly borne and paid by Assignor out of said overriding royalty interest reserved hereunder by Assignor, and, if not so paid, Assignee may deduct the amount thereof from any overriding royalty accruing to Assignor hereunder before payment of said overriding royalty.

7. Assignee may at any time and from time to time quitclaim said lease to the Lessors named therein, either in its entirety or as to part of the acreage covered thereby, without any liability to Assignor, and upon such quitclaim the overriding royalty herein reserved shall ipso facto cease and terminate as to the lands as to which said lease is so quitclaimed.

8. Assignors shall have no voice in and no vestige of control over prospecting, development, production and/or other operations on said lands