

therewith such of the equipment, machinery and facilities located thereon or used in connection therewith as may be useful or appropriate for the production, treating, storing, and transporting of Subject Hydrocarbons, and shall succeed to all other rights of WI Owner in connection with the possession, operation and development of the Subject Interests, and the right, on behalf and for the account of WI Owner, to sell or utilize all of the Subject Hydrocarbons and to apply the proceeds thereof attributable to WI Owner's interest therein to the costs and expenses of the operation and development of the Subject Interests and to reimburse PP Owner for any amounts so expended by PP Owner, and WI Owner shall reimburse PP Owner upon demand for all amounts so expended by PP Owner (to the extent that such amounts are not paid out of WI Owner's interest in the proceeds from sale of Subject Hydrocarbons), together with interest on such amounts at the rate of ten per cent per annum. All rights to which PP Owner shall have succeeded under the provisions of this Section 13 shall terminate either (1) when the Production Payment terminates and all amounts then due and payable to PP Owner pursuant to this Section 13, including amounts payable for interest as aforesaid, shall have been duly paid in full, or (2) at such earlier date when all defaults of WI Owner shall have been remedied and all such amounts shall have been duly paid in full, without prejudice, however, to the exercise of any such rights upon any subsequent failure of WI Owner to perform or observe any of its covenants or agreements hereunder.

SECTION 14. *Access to Subject Interest.* WI Owner will permit the duly authorized representatives of PP Owner, at any reasonable time, but at PP Owner's risk and expense, to make such inspection of the Subject Interests and the machinery, equipment and facilities used in the operation thereof, as such representatives shall deem proper.

SECTION 15. *Leases from the United States.* The provisions of 43 Code of Federal Regulations 3125.4 being recognized, it is agreed (so long as said regulation, or one similar thereto, is in force and effect), with respect to any lease from the United States included in the Subject Interests, that the interest herein reserved as the Production Payment shall, to the extent that such interest, when added to overriding royalties or payments out of production of oil previously created and to the royalties payable to the United States, aggregate