

in accordance with the needs and requirements of the said party of the second part its subsidiary and affiliated companies then the party of the second part is hereby authorized and empowered to develop said land not to exceed the putting down of One (1) producing gas well on each forty (40) acres of said above described lands at the expense of the party of the first part; and in event said well or wells shall be put down by the party of the second part the party of the second part shall keep a true and correct statement of the expense and cost of putting down each of said wells and the same shall be paid by the party of the first part; and the party of the second part shall if it so desires have the amount thereof entered and treated as a payment on any sum that may then or thereafter be due to the party of the first part under the agreement, and deduct the same from such indebtedness and pay the balance, if any, to the party of the first part.

(B) It is further understood and agreed by and between the parties hereto that the - party of the second part shall have the first call up to one million (1,000,000) cubic feet per day on all gas now produced or to be hereafter produced on said above described lands for its own use and for the use of its subsidiary