

as to determine the amount of gas taken from each company or individual holdings; said meters to be located on the North and South Side of the Arkansas River as the party of the first part may suggest.

Upon the request of the first party the second party agrees to render a monthly statement to the first party on or before the 15th, day of each month showing the different sources from which all gas taken into the pipe lines of the second party is received, and the second party further agrees at its own expense, to set such additional meters and at such places, as may be necessary to enable it to make such statement accurately, and said statement to be additional to the statement required by clause (c) of this paragraph.

Provided, first party agrees to hold and ~~receive~~<sup>reserve</sup> for the party of the second part, all of the production of gas from said lands herein described, or to which this contract applies, in excess of the minimum of 75 per cent for which the party of the second part binds itself, except as in this instrument provided.

(b) It is mutually agreed by the parties hereto that the party of the first part, or its assigns, shall have the right, free of cost to itself, to use sufficient of the gas ~~to do any and all drilling which it may become necessary~~ produced upon the above described lands incident and necessary for the party of the first part to do upon said premises, and also to use free of cost to itself, sufficient gas incident or necessary to the operation or development of said leases, for oil and that the operation of said pipe lines, as herein provided, shall be conducted so as to interfere as little as possible with the development of the property herein described.

(c) It is further agreed that the party of the second part shall render a statement on or before the 15th, day of each month, of all gas used by it for the preceding month, according to the meter measurement thereof, as in this instrument set forth, and to settle for the same on the 15th, of said month.

(d) it is further agreed that in the event the party of the second part shall fail, neglect or refuse to carry out any of the obligations, conditions or covenants of the contracts in this agreement set forth, to-wit: The contracts between the party of the first part herein, and the Guld Pipe Line Company, and the Texas Company, the party of the first part herein shall have the right to use any and all lines belonging to the party of the second part herein for the purpose of carrying out said conditions, obligations and covenants, and the party of the first part shall receive from said companies the contract price with said companies for the gas so furnished, and at the cost of the second party first party may lay all laterals necessary to carry out the provisions of this paragraph.

The party of the first part shall likewise have the right, on the same conditions the use of the said pipe lines therefrom to ~~carry~~<sup>use</sup> out the contract with the Queen City Oil & Gas Company in the manner provided above, in the event said contract is binding and enforceable.

(e) It is agreed that the party of the second part shall make all connections, at its own expense, incident to the use of any and all of their pipe lines, and also such as are necessary to connect their lines, at this time or in the future, with wells producing, and that the said party of the second part shall lay and maintain, at its own expense all lateral lines that may be necessary to such use, within thirty <sup>(30)</sup> days after so notified.

(f) It is further stipulated and agreed that the party of the second part is to furnish meters at all points of consumption, at its expense; except gas used for drilling operating, pumping oil or water, and for any other purposes that may be mutually agreed upon and for which there shall be charged by the party of the second part a flat rate, and the receipts from said sales at said flat rates only, shall be divided equally between