LEASE ADDENDUMS

It is clearly understood by the lessee that royalty shall be paid on all oil, natural gas and condensate produced from this lease regardless of its state at the well head.

It is hereby agreed that lessor royalty shall be free and clear of all treating, production and transportation costs for oil, condensate and natural gas.

Pugh Clause - In the event the leased premises shall be pooled or unitized with other premises, in whole or in part, by agreement or governmental order, such event or events shall constitute a severance of the leased premise, and thereafter the acreage not included in the drilling unit each shall be treated as though covered by a separate lease containing the provisions and stipulations of this statement.

This lease shall pertain only to those formations from the surface to the base of the formation.

Lessee shall at all times protect the herein leased land from drainage of oil and gas from wells on adjoining lands.

However, in the event any specially written clause of modification of this lease conflicts with any printed provisions of this lease the special wording shall prevail.