

place of record a release or releases of this lease as to any part or all of the above described premises or of any mineral or horizon thereunder, and thereby be relieved of all obligations as to the released acreage or interest. If this lease is released as above provided as to all minerals and horizons under a portion of the leased premises, the rentals payable hereunder shall thereupon be reduced in the proportion that the acreage released bears to the acreage which was covered by this lease immediately prior to such release.

16. (a) This lease shall supersede and in all respects replace that certain oil, gas and mineral lease dated June 10, 1933, between D. G. McManus and wife, Emma McManus, as lessors, and Shell Petroleum Corporation, as lessee, recorded in Volume 9, at page 3, of the Oil and Gas Records of DeWitt County, Texas, and Volume 17, at page 72, of the Lease Records of Lavaca County, Texas, in so far and only in so far as this lease covers the 160 acre tract of land described specifically above.

(b) By gas pooling agreement dated May 25, 1942, one counterpart of which, executed by the said D. G. McManus and wife, Emma McManus, et al, is recorded in Volume 34, at page 489, of the Lease Records of Lavaca County, Texas, and in Volume 21, at page 194, of the Oil and Gas Records of DeWitt County, Texas, a unit, pooled for gas, herein referred to as the "Brushy Creek Unit", was established and said unit was subsequently enlarged as set forth in an agreement, dated May 18, 1943, executed by Margaret A. Shows, et al, recorded in Volume 37, at page 523, of the Lease Records of Lavaca County, Texas, and in Volume 23, at page 473, of the Oil and Gas Records of DeWitt County, Texas, (and as set forth in other counterparts of such agreement of record in said counties), such Brushy Creek Unit, as enlarged, embracing a total of 2167.28 acres, more or less. Lessee is hereby granted the right, power and option at any time during the primary term of this lease (and within five years after the expiration of the primary term if this lease is still in force) to pool and combine this lease in so far as it covers gas in and under all or any portion or portions of the above described lands with the lands and leases comprising said Brushy Creek Unit, so as to make this lease as to the lands covered hereby which are brought within said Brushy Creek Unit a part of said Brushy Creek Unit. Provided, however, lessee may bring within said Brushy Creek Unit only land covered hereby which is deemed by lessee in its best judgment, based on information then available, to be within the productive area constituting the Brushy Creek gas field, such inclusion of lands covered hereby within said unit to be accomplished as set out in Section VII of the above mentioned Brushy Creek gas pooling agreement. Upon any such pooling of this lease as to gas in and under lands covered hereby with the lands and leases comprising the Brushy Creek Unit, this lease shall be one of the "pooled leases" as such term is used in said agreement of May 25, 1942, and the lands covered hereby which are brought within the unit shall be a part of the "pooled area" as such term is used in said agreement and, except as set out in subparagraph (e) below, the terms and provisions of said agreement of May 25, 1942, shall in all respects thereafter apply to and cover this lease as to the lands covered hereby brought within the unit to the same extent as though this lease as to such lands were described in said agreement. Lessor hereby grants to lessee, its successors and assigns, the right and authority, on behalf of and in the name of lessor and the heirs, successors and assigns of lessee, to ratify, adopt and confirm said gas pooling agreement if and when lessee exercises its right hereunder to bring lands covered hereby within said Brushy Creek Unit, to the extent necessary under Section VII of said gas pooling agreement to accomplish the extension of said unit to include lands covered by this lease, the provisions hereof to constitute covenants running with this lease and with the above described lands and to be binding on the respective heirs, successors and assigns of lessor and lessee.

(c) Lessee is hereby granted the right, power and option, from time to time during the