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1. This sublease covers only oil, gas and all liquid and gaseous hydrocarbons, including sulphur and all hydrocarbon constituent elements produced therewith, and there is excepted from this sublease and reserved unto Assignor all other minerals of every kind and character which may be covered by the above described lease.

2. Assignor excepts and reserves unto itself, its heirs, successors and assigns, an overriding royalty interest equal to the percentage difference between twenty-five percent (25%) of 8/8ths and existing Lessor's royalty and overriding royalties burdening said leases. The share of the production attributable to said overriding royalty shall be delivered to Assignor in the pipeline to which the well may be connected, free and clear of all risk and incident thereto, and all expense of drilling and testing, developing, operating and maintaining the premises, and free and clear of all liens and taxes except that said overriding royalty shall bear its proportionate part of any gross production, severance, ad valorem and windfall profit taxes. Proceeds of said overriding royalty interest shall be paid directly each month by the purchaser or purchasers of said production, or at the option of Assignor, by Assignee.

Assignee, its successors and assigns, shall have the right to pool and unitize the overriding royalty interest reserved herein to the same extent and in the same manner as Lessor's interest may be pooled and unitized under the terms and provisions of the above described lease, and the overriding royalties shall be calculated accordingly. However, any unit formed with acreage from this agreement must be comprised of a minimum of fifty percent (50%) of acreage from the agreement.

Assignor specifically reserves those depths covered by said leases from the surface through seven thousand five hundred feet (7,500'). This sublease shall also exclude and reserve unto Assignor, all existing wells, equipment, lease improvements and other personal property on and used in connection therewith and all existing production on the Brushy Creek Gas Unit whether attributable to or allocated to the lands described in Exhibit "B" or to any other lands included within the said Brushy Creek Unit. All rights not subleased to Assignee are hereby excepted and reserved unto Assignor, its successors and assigns, including, but not by way of limitation,