

environmental response actions undertaken pursuant either to the comprehensive Environmental Response Compensation and Liability Act (CERCLA) or to any other federal, state or local law and shall control and take precedence to the extent of any conflict or claimed conflict with any other provision of this Assignment.

d. WAIVER OF CONSUMER RIGHTS. BUYER WAIVES ITS RIGHTS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 et seq., TEXAS BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF BUYER'S OWN SELECTION, BUYER VOLUNTARILY CONSENTS TO THIS WAIVER.

IN ORDER TO EVIDENCE ITS ABILITY TO GRANT THE ABOVE WAIVER, BUYER HEREBY REPRESENTS AND WARRANTS TO SELLER THAT BUYER (I) IS IN THE BUSINESS OF SEEKING OR ACQUIRING, BY PURCHASE OR LEASE, GOODS OR SERVICES FOR COMMERCIAL OR BUSINESS USE, (II) HAS KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT ENABLE IT TO EVALUATE THE MERITS AND RISKS OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND (III) IS NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION.

5. Accounting

a. Post-Closing. Within 180 days after the Effective Date, CHEVRON shall forward a post-closing statement to Assignee to account for any production proceeds, net of all royalty, overriding royalty, production payments, taxes, including production, severance and ad valorem taxes, operating and other costs and expenses incurred in connection with the Assigned Assets from the Effective Date to and including the date of transfer. Any sums which may be due either party shall be paid one party to the other as may be appropriate, promptly after receipt of the post-closing statement.

b. Taxes. CHEVRON will be responsible for all ad valorem, property taxes and other taxes assessed on, based on, or attributable to production that occurred prior to the Effective Date. Assignee will be responsible for all taxes assessed on, based on, or attributable to production that occurred after the Effective Date. Whichever party receives said tax statements shall pay such taxes prior to delinquency and the other party hereto agrees to reimburse the paying party its pro rata share thereof promptly upon receipt of an invoice accompanied by evidence of such payment. Assignee shall pay all applicable state, county, municipality or governmental sales or use taxes on the leasehold, equipment, material or personal property located thereon.

c. Gas Contracts. This Assignment is made subject to any gas purchase contracts now in existence which affect the assigned leasehold.