

unitization, communitization and/or operating agreement or arrangement affecting such acreage, or other liens or encumbrances of the character of permitted encumbrances, granted, created, entered into or made by the Company pursuant to the provisions of Section 8.01, (cc) royalties, in an amount not exceeding one per cent. (1%) in respect of any one lease, granted or created by the Company or San Juan Production Company (a former subsidiary, now merged into the Company), (dd) the royalties, reservations and/or production payments, if any, subject to which such acreage was acquired by the Company as provided for or reserved in one or more of the agreements referred to in the descriptions of gas leasehold estates set forth in Division One or Division Two of Part III of Article Four of the Seventh Supplemental Indenture, in Part I of Article Six of the Eighth Supplemental Indenture and/or in Article One of the Ninth Supplemental Indenture, and/or (ee) such irregularities or defects of title, if any, as shall be specified in such opinion, or (C) that such well is located on a tract communitized pursuant to applicable spacing rules of governmental authorities which includes acreage covered by a gas leasehold estate or gas leasehold estates to which the Company has good title, subject only to rentals, royalties, reservations, liens or encumbrances, rights or interests of third parties or irregularities or defects of title of the character specified in subclause (B) of this clause (ii), and that the amount of the costs incurred by the Company in respect of such well, the amount of the gas produced from the communitized tract to which the Company is entitled and the Company's ownership in such well are each proportionate to the amount of acreage in the communitized tract covered by the gas leasehold estate or estates owned by the Company; that none of the irregularities or defects of title, if any, specified in such opinion substantially impairs the value or usefulness of the gas leasehold estate or estates covering such acreage for the purposes for which the same were acquired by the Company; and that the entire right, title and interest of the Company in and to the gas leasehold estate or estates covering such acreage and the entire right, title and interest of the Company in and to each such well drilled on such acreage or drilled on any communitized tract of which any such acreage forms a part as aforesaid are subject to the lien of this Indenture free and