

as above set forth, the Government shall be deemed to have delivered the amount of said 20 per cent which it does not take delivery of during the month in question to the contractor for the latter's own use and the contractor shall pay to the Government all of the excess by which the average price received by the contractor for crude oil exported from the field in question during said month exceeds the price payable by the Government for said crude oil at the wellhead, namely, 20 Cents Canadian currency per barrel plus cost as above defined.

- (3) In case of war emergency, the contractor will use all reasonable endeavours to produce and deliver to the Government the crude oil which it has the right to purchase hereunder in the quantities and at the times desired by the Government. Except in case of war emergency the contractor shall not be asked to produce any of its fields inefficiently or to the injury of said fields.
- (4) Any costs in excess of those which the contractor would normally incur in the ordinary course of its business, if incurred at the request, and for the benefit of the Government, shall be for account of the Government and paid by it. The Government shall take delivery of the said crude oil currently as it purchases the same and the contractor shall not be obligated to furnish storage for the same.

7. That at the termination of said Contract No. W-412-eng-52 and its supplemental agreements (all as amended pursuant hereto), the Government shall transfer to and vest in the contractor all the wells, buildings, installations, tanks, battery stations, drilling and other equipment (including spare parts) and materials and supplies including all rights relating thereto which the Government then has in the Norman Area or en route thereto for development and/or exploratory work, including such marine and road transportation and construction equipment as is required to service the same, and any other buildings, equipment or supplies including all rights relating thereto which, not being required by the Government may be of use to the contractor in his proposed exploratory and development program. The Government agrees not to remove permanently from the Norman Area any of the above items without the consent of the contractor and to now deliver to the contractor all of such items as are not required for the contractor's operations on the proven area and the contractor shall have the right to use the same from May 1, 1944, in his proposed exploratory and development program, paying therefor a rental equivalent to 5 Cents Canadian currency per barrel for each barrel of oil purchased by the Government under Article 4 hereof. All such property as can now be itemized and listed shall be now itemized and listed and attached as Appendix B to the proposed supplemental agreement. Further items can be added to said Appendix B from time to time by the Contracting Officer and the Project Manager and a final itemizing and listing of the property shall be made at the termination of the Contract No. W-412-eng-52 by the Contracting Officer and the Project Manager and attached to the proposed supplemental agreement as Appendix C. For the above property to be so transferred to and vested in the contractor, the contractor shall pay the Government the sum of \$3,000,000 Canadian currency, said sum to be payable only out of the proceeds of oil delivered or deemed to be delivered to the Government under clause 6 hereof at the rate of 5 Cents Canadian currency per each barrel of oil so delivered or deemed to be delivered.

8. The original Contract No. W-412-eng-52 and the supplemental agreements Nos. 2 and 3 (all as amended pursuant hereto) shall terminate on the termination of hostilities in the present War or at the option of the