

AMENDMENT OF
DEFERRED GAS PRODUCTION AGREEMENT

This amendatory agreement is entered into and made effective as of the first day of _____ production _____, 20____, by and between _____, as Lessee, and the State Mineral Board acting for and on behalf of the State of Louisiana, as Lessor.

(1)

Pursuant to the terms and conditions of a Deferred Gas Production Agreement between the parties hereto dated _____, production is being deferred of gas attributable to the _____ acres or _____ % covered by State Lease No. _____ in the _____ acre Unit created by Order No. _____ of the Commissioner of Conservation of the State of Louisiana, dated _____ but effective _____, in the _____ Field, _____ Parish, Louisiana, while 100% of said unit production has been credited to the working interest portion of the unit.

(2)

The parties hereto now desire to modify and suspend the provision deferring production and sale of said unit gas attributable to the State Lease as provided in said Deferred Gas Production Agreement to permit and authorize production and sale thereof by Lessee in interstate commerce to _____ subject to the conditions and limitations hereinafter provided.

(3)

Said State gas shall be produced, sold and Lessor's royalty accounted for currently under said State Lease at the rate of 150% or _____% of the unit production for a period not exceeding 720 days unless the accounts for the separate tracts in the unit are in balance prior to such period, in which latter event said State gas shall then be produced, sold and so accounted for at the rate of 100% or _____% of the unit production for the remainder of the period.

(4)

Lessor shall also have the recurring right during the life of such unit production, to be exercised within sixty (60) days prior to expiration of any such 720 day producing period, to have Lessee continue such disposition or otherwise dispose of or defer production of all or any portion of Lessor's royalty gas during the next ensuing period of 720 days. Failure of Lessor to so notify Lessee within the sixty (60) day period shall be deemed an election by Lessor to continue the sale of Lessor's royalty gas to Lessee's purchaser for an additional period of 720 days.

(5)

Except as specifically modified and suspended hereby, said Deferred Gas Production Agreement shall continue in force and effect according to its terms and conditions including but not limited to those provisions requiring monthly accounting for unit production and payment to the

State for any volumes of past or future deferred gas production to balance said unit accounts upon permanent cessation of gas production from the unit.

IN FAITH WHEREOF, this Agreement is executed as of the day, month and year first above written in the presence of the undersigned, competent witnesses.

WITNESSES:

_____ STATE MINERAL BOARD acting for and
on behalf of the STATE OF LOUISIANA

_____ By: _____

_____ Its _____

_____ By: _____

_____ By: _____

_____ By: _____

(Appropriate Acknowledgments to be Attached and Executed)

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned authority, personally came and appeared _____, who by me being first duly sworn, deposed and said: That ___he is one of the witnesses to the execution of the foregoing instrument and that ___he saw _____ sign said instrument as _____ of the STATE MINERAL BOARD for and on behalf of the State of Louisiana in the presence of appearer and _____ the other subscribing witness.

Sworn to and subscribed before me
this _____ day of _____, 20____.

Notary Public

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned authority, personally came and appeared _____, who by me being first duly sworn, deposed and said: That ___he is one of the witnesses to the execution of the foregoing instrument and that ___he saw _____ sign said instrument as _____ of the STATE MINERAL BOARD for and on behalf of the State of Louisiana in the presence of appearer and _____ the other subscribing witness.

Sworn to and subscribed before me
this _____ day of _____, 20____.

Notary Public