

GAS OR A PORTION OF THE RESIDUE GAS, OR BOTH, THE TAX SHALL BE COMPUTED ON THE GROSS VALUE OF ALL THINGS OF VALUE RECEIVED BY THE PRODUCER, INCLUDING ANY BONUS OR PREMIUM; PROVIDED THAT NOTWITHSTANDING ANY OTHER PROVISION HEREIN TO THE CONTRARY, WHERE GAS IS PROCESSED FOR THE LIQUID HYDRO-CARBON CONTENT AND THE RESIDUE GAS IS RETURNED BY CYCLING METHODS, AS DISTINGUISHED FROM REPRESSURING OR PRESSURE MAINTENANCE METHODS, TO SOME GAS PRODUCING FORMATION, THE TAXABLE VALUE OF SUCH GAS SHALL BE THREE-FIFTHS ($\frac{3}{5}$) OF THE GROSS VALUE OF ALL LIQUIDS EXTRACTED, SEPARATED AND SAVED FROM SUCH GAS, SUCH VALUE TO BE DETERMINED UPON SEPARATION AND EXTRACTION AND PRIOR TO ABSORPTION, REFINING OR PROCESSING OF SUCH

HYDRO-CARBONS AND THE QUANTITY OF THE PRODUCTS SHALL BE MEASURED BY THE TOTAL YIELD OF THE PROCESSING PLANT FROM SUCH GAS.

(3) THE TAX HEREBY LEVIED SHALL BE THE LIABILITY OF THE PRODUCER AND PURCHASER OF GAS IN THE FOLLOWING PROPORTIONS: THE PRODUCER SHALL BE LIABLE FOR SIXTY PER CENT (60%) OF THE TAX HEREBY LEVIED AND THE PURCHASER SHALL BE LIABLE FOR FORTY PER CENT (40%) OF THE TAX HEREBY LEVIED.

(4) THE FIRST PURCHASER OF GAS SHALL PAY THE TOTAL TAX ON ALL GAS PURCHASED, MAKING THE PAYMENTS OF TAX TO THE COUNTY COMMISSIONERS OF GARRETT COUNTY BY LEGAL TENDER OR CASHIER'S CHECK PAYABLE TO SAID COUNTY COMMISSIONERS. THE FIRST PURCHASER SHALL BE ENTITLED TO DEDUCT THE PROPORTIONATE AMOUNT OF THE TAX CHARGEABLE TO THE PRODUCER AND ROYALTY OWNER FROM THE AMOUNT DUE THE PRODUCER FROM WHOM SUCH GAS IS PURCHASED AND SUCH PRODUCER SHALL BE ENTITLED TO DEDUCT THE PROPORTIONATE AMOUNT OF THE TAX CHARGEABLE TO ANY OTHER PRODUCER OWNING AN INTEREST IN SUCH GAS FROM THE AMOUNT DUE SUCH OTHER PRODUCER AND SHALL BE ENTITLED TO DEDUCT THE PROPORTIONATE AMOUNT OF THE TAX