No. 1939

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James Hobbs
To
The Henry Oil Company

Oil and Gas Lease.

This Indenture of Lease, made this 10th day of December, A.D., 1906, by and between James Hobbs, of Collinsville, Indian Territory, party of the first part, and The Henry Oil Company, a corporation organized and existing under the laws of South Dakota, of Chicago, Illinois, Party of the second part.

Witnesseth: That the party of the first part, for and in consideration of the sum of Two hundred ($200.00) Dollars, cash in hand paid, the receipt of which is hereby acknowledged, and the covenant hereinafter contained on the part of the said party of the second part, does hereby lease, let and demise unto the party of the second part, the exclusive right for sixty days from date hereof to enter upon, operate for and produce oil and gas upon the following premises, situated in the Cherokee Nation and within the Indian Territory, to-wit:

The N2 of the NW4 of the NE4 of Sec. 35, Town 21, North, Range 14 East; and The S2 of the SW4 of the SE4 of Sec. 26, Town 21, North, Range 14 East; and The NW4 of the NW4 of Sec. 33, Town 22, North, Range 15 East; and containing eighty (80) acres more or less and being the full allotment of John Raymond, Deceased.

The party of the second part agrees to deliver to the party of the first part, ten (10) per cent of all the oil realized from the premises, in tanks, at the wells without cost, or pay the market price therefor in cash at the option of the first party. If oil or gas be found on these premises, all rights, benefits and obligations, secured hereby, shall continue fifteen years and so long as either can be produced in paying quantities. If gas be found in any well or wells first party is to have on demand sufficient gas for domestic purposes on the premises, or on his adjoining premises, free; the said second party is to have the remainder, together with all gas from oil wells. If second party shall find and use gas off the premises in commercial quantities it shall pay to the first party therefor: One hundred fifty ($150.00) dollars per year per well, during the time such gas holds out with pressure and quantity sufficient for commercial use. It is further agreed that a failure on the part of the lessee to use a gas producing well when the same cannot be reasonably utilized at the rate so prescribed, shall not work a forfeiture of this lease so far as the same relates to mining oil, but if the lessee desires to retain gas producing privileges it shall pay a royalty of fifty ($50.00) dollars per annum in advance on each gas producing well not utilized; the first payment to become due and to be made within sixty days from the date of the discovery of gas. Second party agrees to locate all wells, so as to interfere as little as possible with the cultivated portion of the premises and to pay all damages to growing crops by reason of its operations.

The second party shall have the privilege of using sufficient water from the premises, and if necessary to drill therefor, including also the right to lay and