

and property of the lessor.

The party of the second part further covenants and agrees to exercise diligence in the sinking of wells for oil and natural gas on the lands covered by this lease, and to drill at least one well thereon within twelve months from the date of the approval of the bond by the Secretary of the Interior, and should the party of the second part fail, neglect, or refuse to drill at least one well within the time stated, this lease may, in the discretion of the Secretary, be declared null and void after ten days notice to the parties; provided that the lessee shall have the privilege of delaying operations for a period not exceeding five years from the date of the approval of the bond to be furnished in connection herewith, by paying to the United States Indian agent, Union Agency, Indian Territory, for the use and benefit of the lessor, in addition to the required annual advanced royalty, the sum of one dollar per acre per annum for each leased tract remaining undeveloped, but the lessee may be required to immediately develop the lands leased, should the Secretary of the Interior determine that the interests of the lessor demand such action.

The party of the second part further agrees to carry out operations in as workmanlike manner to the fullest possible extent, unavailable to the contrary, to construct no waste on the said land, and to suffer no waste to be committed on the portion in their occupancy or use; to take good care of the same, and to promptly surrender and return the premises upon the termination of this lease to the party of the first part or to whomsoever shall be lawfully entitled thereto, and not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said party of the second part, but said buildings and improvements shall remain a part of said land and become the property of the owner of the land as a part of the consideration for this lease in addition to the other considerations herein specified, excepting the tools, boilers, boiler houses, pipes, lines, pumping and drilling outfits, tanks, engines, and machinery, and the casing of all dry or exhausted wells, shall remain the property of the said party of the second part, and may be removed at any time before the expiration of sixty days from the termination of the lease; that they will not permit any nuisance to be maintained on the premises under their control, nor allow any intoxicating liquors to be sold or given away for any purpose on such premises; that they will not use such premises for any other purpose than those authorized in this lease, and that before abandoning any well they will securely plug the same so as to effectually shut off all water above the oil-bearing horizon.

And the said party of the second part further covenants and agrees that they will keep an accurate account of all oil-mining operations, showing the sales, prices, dates of purchases, and the whole amount of oil mined or removed; and all sums due as royalty shall be a lien on all implements, tools, movable machinery and all other personal chattels used in said prospecting and mining operations, and upon all of the unroiled oil obtained from the land herein leased, as security for the payment of said royalty.

And it is mutually understood and agreed that this indenture of lease shall in all respects be subject to the rules and regulations heretofore or that may hereafter be lawfully prescribed by the Secretary of the Interior relative to oil and gas leases in the Cherokee Nation, and that this lease, or any interest therein, shall not by working or drilling contract or otherwise or the use thereof, directly or indirectly, be sublet, assigned, or transferred without the consent of the Secretary of the Interior first obtained, and that should they or their sublessees, heirs, executors, administrators, successors, or assigns violate any of the covenants, stipulations, or provisions of this lease, or any of the regulations, or fail for the period of sixty days to pay the royalty provided for herein, then the Secretary of the Interior, after ten days of notice to the parties hereto, shall have the right to annul this indenture of lease and cancel the same, whereupon all the rights, franchises, and privileges of the lessee, their sublessees, heirs, executors, administrators, successors, or assigns hereunder, shall cease and end without resorting to the courts and without further proceedings, and the lessor shall be entitled to immediate possession of the leased land and the permanent improvements located thereon.