one tenth part of the oil and gas produced and saved as aforesaid or the payment thereof at the price named above in cash. Settlements to be made on the 10 day of each and every month, for the preceding month.

It is mutually agreed by and between both of the parties hereto, that 25 per cent of the receipts from the less pumpers salary and fuel sale of oil and gas from said premises by said party of the second part, shall be paid to the party of the first part each month and shall be applied upon the purchase price of this lease, until the same shall be fully paid and thereafter when said purchase price of $8000 shall be fully paid, said 25 percent as aforesaid shall be retained by and belong to the party of the second part.

It is understood and agreed by said party of the first part that said party of the second part shall, in addition to the lands above described have and enjoy during the term of this lease, the product of oil and gas from the two wells now on said lands, the said party of the second part paying to said party of the first part, the royalty of one tenth and the 25 per cent as hereinabove provided.

Said party of the first part hereby agrees to convey unto said party of the second part any and all articles of personal property consisting of one derrick, 326 feet of 8 1/4" casing, 10 feet of 10" casing, 1330 feet of 6 5/8" casing, 30 feet 10" casing, two 250 bbl. tanks, 50 feet of 8 1/4" casing and such other articles of personal property in and about the said wells now on said premises subject to payment as hereinafter stated and said party of the second part hereby agrees that said articles of personal property shall be and remain the property of the party of the first part upon such time as the purchase price herein provided for, shall be fully paid. and upon payment of the $8000 as above set forth, said personal property is to become the property of second party.

The party of the first part hereby agrees that it will warrant and defend the said party of the second part, in the peaceable possession of said premises and will save harmless the said party of the second part in the full enjoyment of the terms of this lease against the claims of any person or persons whomsoever.

It is further agreed by and between the parties hereto that a failure upon the part of the party of the second part to fully perform all of the conditions to be performed by it, time being the essence of this contract, shall work a forfeiture of this lease and the party of the first part may declare a forfeiture of the same by 30 days notice in writing and again reenter into the possession of said premises.

And the party of the second part agrees that at the termination of this lease it will promptly yield up and surrender the possession of said premises to the party of the first part.

It is mutually agreed that at the termination of this lease either by expiration or forfeiture, the party of the second part shall have the right to remove all machinery, pipe, tanks, derricks and improvements and all property placed, erected or constructed thereon on said premises by said party of the second part.

It is further agreed by and between the parties hereto that in case the payments of 25 percent of the net proceeds of the sale of oil and gas as herein provided to be made to the party of the first part, shall not be sufficient to pay the entire purchase price of $8000 within 12 months from the date hereof, that the amount remaining unpaid shall bear interest at the rate of 8 percent per annum from and after 12 months from this date.