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Wm. F. Applegate and Cora F. Applegate,

to

Oil and Gas Lease.

The Engelbach Oil Company,

Agreement, made and entered into the 24th day of September, A.D. 1906, by and between Wm. F. Applegate & Cora F. Applegate, his wife of Bixby, Ind. Sec. party of the first part and The Engelbach Oil Company, an incorporated partnership consisting of George Engelbach, Wm. H. Reese and C. W. Bowen, parties of the second part.

Witnesseth, that the said party of the first part, for and in consideration of the sum of One Dollar to him in hand well and truly paid by the said party of the second part, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the said party of the second part, to be paid, kept and performed, hereby grant, demise, lease and let unto the said party of the second part, their heirs or assigns, for the sole and only purpose of mining and operating for oil and gas, and of laying pipe lines, storm, water, gas and electric lines to and from adjoining land, and of building tanks, stations and structures thereon to take care of said products, with the right of going in, over and across said land for the purpose of operating the same; also with the right to subdivide and lease the same or any part thereof, all of the following described tracts of land situate in the Creek Nation, and within the Indian Territory, to-wit: North West quarter (NW^{1/4}) of the South West quarter (SW^{1/4}) of Section Twenty (20) Twp. Seventeen (17) N., R. Thirteen (13) East, of Section 20, of Township 17 North, of Range 13 East, of the Indian Meridian, and containing Forty acres, more or less.

It is agreed, that this lease shall remain in force for the term of fifteen years from this date, and as long thereafter as oil or gas, or either of them, is produced therefrom by the party of the second part, their heirs or assigns.

In consideration of the Premises, the said party of the second part covenant and agree: 1st - To deliver to the credit of the first party, - their heirs or assigns, free of cost, in pipe line to which they may connect their wells, the equal one-tenth part of all oil produced and saved from the leased premises; 2nd - To pay to the first party, his heirs or assigns \$100.00 dollars per year for the gas from each and every gas well drilled on said premises, the product from which is marketed and sold off the premises, said payment to be made on each well within sixty days after commencing to use the gas therefrom as aforesaid, and to be paid yearly thereafter while the gas from said well is so used. First party to fully appraise and record party agreeing to locate all wells as to interfere as little as possible with the cultivated portions of the farm. First party to have the right and privilege of using at his own risk sufficient gas for one dwelling house on the premises from any gas well found on said described lease; he to make his own connections, and it is agreed that no well shall be drilled within 200 feet of the buildings now on the premises without the consent of the first party.

It is provided, that this lease shall become null and void if a well is not commenced on the premises within 6 mo. or unless the lessee shall pay at Rate of 10 per cent Dollars in advance for each additional year commencement is delayed; and it is agreed that the commencement of such well shall be and operate as a full liquidation of all said rentals under this lease during the remainder of the term. Such payment may be made direct to said lessor or deposited to his credit in Farmers & Merchants Bank of Bixby.

It is agreed, that the second party is to have the privilege of using sufficient water, oil and gas from the premises to run all necessary machinery, and at any time to remove all buildings and fixtures placed on said premises; and further, upon the payment of 1.00 Dollars, at any time, by the party of the second part, their heirs or assigns, or by a third party of said sum together with all amounts due hereunder, in Farmers & Merchants Bank of said, said party of the second part, their heirs or