

party therefor one hundred Fifty Dollars per year for each well during the time such gas shall be sold or marketed, payable sixty days after gas is sold or marketed. Second party agrees to locate all wells so as to interfere as little as possible with the cultivated portion of the premises and 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. In case no well for oil, or gas or other minerals be drilled on said premises within six months year of date hereof, all rights and obligations secured under this contract shall cease and determine, unless the second party shall elect to continue this lease in force as to all or any portion of said premises by paying an semi annual rental of \$2.50 per acre payable semi annually for all said premises, or such portion as it may designate until well is drilled on said premises. Said rentals to be paid by deposit to credit of first party in Bank of Commerce at Claremore, I. T. Provided, however, that the second party shall have the right at any time to terminate this lease, by notice in writing or by surrendering this lease, and shall thereafter be released from all obligations and liabilities under the same. The second party shall have the right to erect, lay, maintain and remove all pipes, pipe lines, machinery and structures necessary for the production, preservation and transportation of oil and gas produced on said premises.

Party of the first part hereby certifies that he is the lawful and legal owner of the above described premises and that there are no mortgages on said land except of record. Party of the second part shall have the right, as a protection for himself in this lease, to take up any mortgage that may be now outstanding or hereafter given by said first party and have a first lien on said premises.

Party of second part agrees to drill at least two wells on said premises - the second to be drilled within 6 months after the first.

All conditions of this agreement shall extend to the heirs, executors, administrators, successors and assigns of the parties hereto.

Witness our hands and seal this the 14th day of October 1907,

Witnesses: —

Lee Settle, (seal)

J. A. Kennedy & Co (seal)

By J. A. Kennedy (seal)