

its self its heirs , successors and assigns to pay or cause to be paid to the guardian of the estate of said minor, as royalty the sum of Twelve and One Half per cent ( 12 1/2) per cent ) of the gross proceeds on the leases premises of all crude oil extracted from the said land, such payment to be made at the time of sale or disposition of the oil; and the lessee shall pay in yearly payments at the end of each year one hundred <sup>dollars</sup> and fifty ( 150.00) on each gas producing well which they shall use . The lessor shall have the free use of gas for lightening and warming his residence on the premises . It is further agreed that a failure on the part of lessees to use a gas producing well where 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 lessees desire to retain gas producing privileges they shall pay royalty of fifty dollars ( 50) per annum in advance on each gas producing well not utilized, the first payment to become due and to be made within thirty (30) days from the date of the discovery of gas .

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 (12) months from this date provided that the lessees shall have the privilege of delaying operations for a period not exceeding four (4) years from the expiration of said twelve (12) Months by paying to the guardian of said minor for the use and benefit of said minors, the sum of One Dollar -

( \$ 1.00) per acre per annum for each leased tract remaining undeveloped, to be paid in advance at the end of said twelve ( 12 ) months for each year operations are delayed and the <sup>failure</sup> ~~failure~~ to make such payment in whole or in part in advance shall operate to forfeit the benefits of the lease to the lessees and the lease shall become void and of no further effect .

The party of the second part further agrees to carry on operations in a workmanlike manner to the fullest possible extent , unavoidable casualties excepted, to commit no waste on the said land and to suffer no waste to be committed upon the portion in its 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~~ <sup>not</sup> 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 tools, <sup>boilers</sup> boiler houses, pipe lines pumping and drilling outfits, tanks , engines and machinery and the casing of all dry or exhausted wells, <sup>shall</sup> ~~shall~~ remain the property of the said party of the second part, and may be removed at any time before the expiration of sixty (60) days ~~that it will not permit any improvements to be maintained on the premises under its lease~~ from the termination of the lease, ~~and~~ <sup>shall</sup> ~~nor~~ <sup>allow</sup> any liquors to be sold or given away for any such purposes on such premises; that it will not use such premises for any other purposes than those authorized in this lease, and that before abandoning any well it will securely plug the same so as to effectually shut off all water above the oil <sup>bearing</sup> horizon .

And the party of the second part further covenants and agrees that it will keep an accurate account of all oil mining operations , showing the sales, price, dates 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