

shall terminate as to both parties unless the lessees on or before that date shall pay or tender to the lessor or to the lessor's credit in the Liberty National Bank at Tulsa, Oklahoma, or its successors, the sum of five hundred Dollars (\$500.00) which shall operate as rental and cover the privilege of deferring the commencement of a well for one month from said date. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privileges granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period aforesaid, and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole, then and in that event, if a second well is not commenced on said land within twelve months from the date of this agreement then said lease shall terminate as to both parties.

The lessees agree that in the event that oil is found in paying quantities upon the above premises, to drill at least six wells within the period of two years from date of this agreement and in the event that gas only is found in paying quantities they agree to drill at least four wells within the period of two years from date.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only on the proportion which his interest bears to the whole and undivided fee.

Lessees shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon except water from wells of lessor.

When requested by lessor, lessees shall bury their pipe lines below plow depth.

Lessees shall pay for damages caused by their operations to growing crops on said land, or to premises reserved by lessor.

Lessees shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessees until after the lessees have been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed that in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assigns of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, said default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payment of said rental.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessees shall have the right at any time to redeem for lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.

All payments which may fall due under the terms of this lease may be made directly to Wm. O. Bohnefeld or deposited by the lessees to his credit in any Bank which he may designate.

Failure on the part of the lessees to strictly and fully comply in every respect with the terms of this agreement shall work a termination of this lease and the same shall become null and void.

Time is and shall be deemed as of the essence of this agreement.

In Testimony Whereof We Sign, this the , 20th day of June 1922.