

203568 C. J.

C O N T R A C T.

THIS CONTRACT AND AGREEMENT, Made and entered into this, the 17th day of May, 1922, by and between H. E. Baker, party of the first part, and Joe Huber and J. G. Hughes, parties of the second part, WITNESSETH:

That, WHEREAS, the said party of the first part, as owner of a certain oil and gas lease on the West half (W $\frac{1}{2}$) of the East half (E $\frac{1}{2}$) of the Northwest quarter (NW $\frac{1}{4}$) of Section Four (4), Township Twenty (20) North, Range Thirteen (13) East, Tulsa County, Oklahoma, has this day sold, and by written assignment has conveyed the said oil and gas lease to said second parties, for and in consideration of the sum of twelve Thousand (\$12,000.00) Dollars,

It is, therefore, CONTRACTED AND AGREED, by and between the parties hereto that said assignment, together with a copy of this contract, shall be placed in escrow in the Liberty National Bank of Oklahoma City, and to be held by said bank until the full purchase price thereof has been paid to said first party, said purchase price to be paid as follows, to wit:

The sum of Six Thousand (\$6,000.00) Dollars cash, the receipt of which is hereby acknowledged, by the said first party;

The remaining Six Thousand (\$6,000.00) Dollars to be paid in monthly installments of Two Hundred (\$200.00) Dollars per month, the first monthly installment to be paid on the 15th day of July, 1922, and the remaining instalments in the sum of Two Hundred (\$200.00) Dollars to be paid on the 15th of each succeeding month thereafter until the full sum of \$6,000.00 shall be paid;

All deferred payments to bear interest at the rate of 7 per cent. per annum from this date until paid, all as evidenced by the thirty (30) promissory notes executed by said second parties to first party as of this date.

It is further UNDERSTOOD and AGREED between the parties hereto that, Whereas, the lands covered by said assignment is now in a producing field and in a field that is being steadily developed and drilled out, that the second parties shall have the right to go upon said leased and assigned premises to drill oil and gas wells thereon, and it shall be their duty to drill any offset wells thereon to protect said wells from damage from any wells drilled on lands adjacent thereto and, in the event either a producing oil or gas well is brought in on said premises, the said second parties shall be entitled to the proceeds therefrom and, in the event any oil or gas is produced therefrom before the full payments are made under the terms of this contract, then the first party shall execute proper division orders for any oil or gas runs therefrom, so that second parties may market such oil and gas therefrom and in the event the first party shall fail, neglect or refuse to execute proper division orders for any such production, then it is hereby stipulated and agreed that this contract shall constitute a division order, and the first party hereby expressly authorizes second parties to make contracts with any oil or gas company or pipe line company to take said production and this contract shall be the authority of said pipe line company to take the same and pay second parties therefor.

IT IS FURTHER UNDERSTOOD AND AGREED that, in the event said second parties shall fail, neglect or refuse at any time to drill offset wells or to properly care for said wells or to prevent waste thereon by reason of any offset wells, or drainage therefrom, first party shall have the right to protect said wells from such waste or drainage and shall have the right to go upon said premises for that purpose at any time, and shall be entitled to be reimbursed for all expenses necessarily expended by him in protecting said property, such right to terminate upon the full payment of the purchase price as provided herein.

First party shall not have a right to go upon said lease or make any expenditures