

1. Party of the second part in consideration of an assignment of one-half undivided interest in the above described lease agrees to drill and equip a well into the tank or tanks to the Wilcox sand or to the same formation as found in the Gladys Belle Oil Company's well, and Sand Springs Home Wells in the Southeast Quarter or 2-18-12.
2. Party of the second part agrees to start the construction of a rig within five days from the date or the signing of this contract, and to spud in the well on or before the 22nd day of June 1922, and to complete said well to the aforementioned sand in good workmanlike condition without delay.
3. Party of the second part agrees to furnish rig, casing and all the necessary materials and supplies for the drilling of the well, and is to pay for same, and pay all the necessary drilling expenses, including drilling labor, teaming and all expenses in connection with the first well into the tanks.
3. Party of the first part being at the time of signing this contract legal owners of lease described at first part of contract, being E $\frac{1}{2}$  of NW $\frac{1}{4}$  35-19-12 agrees to defend title at its own expense if suit is brought affecting the title in said lease.
4. Party of the first is the owner of a small gas well on the property, and agrees to permit the parties of the second part to use such gas as can be utilized for the drilling of the well free of charge.
5. In the event that a paying well is found in any of the upper sands before reaching the aforementioned sand and it is decided to stop drilling and put such well on the pump, title to one-half interest in the lease shall not pass, but the Guaranty Oil Company shall pay one-half interest in the expenses of drilling such well, and will have one half interest in same, it being understood that a well must be completed to the deep sand and into the tank or tanks before the party of the second part shall acquire an undivided one half interest in the lease.
6. All subsequent development of the property after completion of the wells to deep sand is subject to the mutual agreement of the Guaranty Oil Company, party of the first part and the Six and One Oil Company party of the second part no prior right being given to either party to arbitrarily develop or operate the property it being implied that the property shall be operated to the mutual benefit of both parties And if developed the party of the second part, shall pay all bills or invoices for material drilling labor teaming etc., and shall render as itemized statement to the Guaranty Oil Company for its proportion thereof, which shall be paid within thirty days from date of rendition, thereof.
7. In the event that the Guaranty Oil Company shall for any reason fail to make the payments as and when contemplated in the preceding paragraph, the said Guaranty Oil Company will assign to the party of the second part seventy-five per cent of its oil runs from this lease until such time as such indebtedness shall be fully paid therefrom or from some other sources, and such debts shall constitute a lien upon the property until paid.
8. The Guaranty Oil Company shall not be responsible for any debts contracted by party of the second part for the drilling of the first well, nor shall failure to pay such expenses act as a lien on the property of the Guaranty Oil Company.
9. The location of the first well is

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