

in lieu of drilling wells and the right to surrender this lease as hereinafter provided.

If no well be commenced on said land on or before the 20th day of July, 1920 the lessee on or before said date shall pay or tender to the lessor, or deposit to the lessors credit in the Producers State Bank, at Tulsa, Okla. or its successors which shall continue as the depository regardless of changes in the ownership of said land, the sum of Thirty Dollars which shall operate as rental for 3 months and shall continue to pay a like sum of 3 months in advance until a well be commenced on said premises.

When a well is completed on said land, the said lessee covenants and agrees:

FIRST. To deliver to the credit of the lessor, free of cost, in the pipe line to which he may connect his wells, the equal one eighth ($1/8$) part of all oil produced and saved from the leased premises, as royalty, or at lessee's election to pay the lessor for such royalty the market price prevailing the day the oil is run into the pipe line or run into storage tanks in which last event, settlement and payment shall be made by the lessee on the 15th day of each month for the royalty so purchased by the lessee during the preceding month.

SECOND To pay the lessor Three Hundred -the gas from each well where gas only is found while the same is being used off the premises and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the wells and at this own risk and expense.

THIRD. To pay lessor for gas produced from any oil well and used off the premises at the rate of One Hundred and Fifty dollars per year for the time during which such gas shall be used, said payments to be made each three months in advance. Lessor hereby agrees that the deposit by lessee of a valid bank check or draft in any United States Post office duly registered and addressed to the lessor, heirs, assigns or legal representatives, or the Bank above named, shall be and constitute a good and sufficient tender of any sum which may become due under this lease.

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 in the proportion which his interest bears to the whole and undivided fee.

Lessee 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, lessee shall bury its pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn on said premises without the written consent of the owners.

Lessee shall pay for damages caused by its operations to growing crops on said land.

Lessee 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 is 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