

211674 C. J.

COMPARED OIL AND GAS LEASE

AGREEMENT, Made and entered into 30th day of September, 1922 by and between John B. Case, single, of Kansas City, Missouri, Party of the first part, hereinafter called lessor (whether one or more) and Hayward Hayden party of the second part, hereinafter called lessee.

WITNESSETH, That the said lessor, for and in consideration of Twenty DOLLARS cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto the said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, powers, stations and structures thereon to produce, save and take care of said products, (all that certain tract of land situate in the County of Tulsa State of Oklahoma, described as follows, to-wit:

The Southwest Quarter of the Northeast Quarter of Section 9 Township 21, Range 13 and containing forty acres, more or less.

It is agreed that this lease shall remain in force for a term of two years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.)

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which he may connect his wells, the equal one-eighth part of all oil produced and saved from the leased premises.)

2nd. To pay the lessor a royalty of one eighth for the gas from each well where gas only is found, while the same is being used off the premises, and if used in the manufacture of gasoline or any other product, a royalty of one-eighth (1/8), payable monthly at the prevailing market rate; and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principle dwelling house on said land during the same time by making his own connections with the wells at his own risk.

3rd. To pay lessor for gas produced from any oil well and used off the premises a 1/8 royalty for the time during which such gas shall be used, said ----- and if used in the manufacture of gasoline or any other product, a royalty of one-eighth (1/8) payable monthly, at the prevailing market rate.

If no well be commenced on said land on or before the 30th day of March 1923 this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the Federal Savings Trust Co. at Kansas City, Mo. or its successors, which shall continue as the depository regardless of changes in the ownership of said land, the sum of Ten DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for three months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively 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 rentals is payable as aforesaid, but also the lessee's option of extending that period as 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 expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve