

1st. To deliver to the credit of the first party their heirs or assigns, free of cost, in the pipe line to which it may connect its wells, or in tanks at the wells to pay the market price therefor in cash, the equal one eighth part of all oil produced and saved from these premises and 10 cents per ton for all coal mined and sold and 2nd. To pay \$50.00 dollars per year for the gas from each and every gas well drilled on said premises, the product of from which is marketed and used off the premises, said payments to be made on each well within sixty days after commencing to use the gas therefrom as aforesaid and to be paid yearly thereafter while the gas from said well is so used.

Second party covenants and agrees to locate all wells so as to interpret as fully as possible within the cultivated portions of the premises. And further, to complete as well on said premises within five years from the date hereof, or pay at the rate of thirty dollars, per annum, in all cases, for each year such completion is delayed from the time above mentioned for the completion of such well until a well is completed and it is agreed that the completion of each well shall be and operate as a full liquidation of all rental under this provision during the remainder of the term of this grant. Such payments may be made direct to John Woodard or John Woodard or deposited to the credit in Bank of Commerce, Tulsa, Okla.

It is agreed that the second party is to have the privilege of using any efficient water from the premises to run all necessary machinery and at any time to remove all machinery and fixtures placed on said premises and further upon the payment of One dollar at any time after giving one month's notice by the party of the second part, its successors or assigns, to the party of the first