3 The party of the second part agrees to commence drilling operations on the above described premises within one year from date hereof, or pay at the rate of One dollar per acre for each additional year such commencement is delayed from the time above mentioned.

The above rental shall be paid to the credit of first party at Central Nat'l Bank, Tulsa, Oklahoma and it is agreed that the completion of such well shall be and operate as a full liquidation of all rent under this provision during the remainder of the term of this lease.

The party of the second part shall have the right to use oil, gas and water produced on said land free of royalty, for drilling and operation thereon, except water from wells of the first party.

When requested by the first party the second party shall bury pipe lines except steam lines below plough depth.

The party of the second part 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.

The party of the second part its heirs, successors or assigns, shall have the right at any time on the payment of One ($1.00) Dollar and all payable obligations then due to the party of the first part, her heirs or assigns to surrender this lease for cancellation, after which all payments and liabilities hereafter to accrue under and by virtue of its terms shall cease and terminate.

Second party agrees to pay to first party the sum of $1.00 per year as rental on the above described premises provided the royalties herein specified do not exceed said amount. If oil is found in paying quantities in the first well on the Joseph H. Thompson farm second party agrees upon completion of said well to immediately begin drilling operations on the above described premises.

All covenants and agreements herein set forth