

The west half of the northwest quarter of the southeast quarter and the southeast quarter of the northwest quarter of the southeast quarter of section seventeen (17) township nineteen (19) range eleven (11) east, containing a total of thirty (30) acres, more or less; but subject to the rights of way of pipe line companies already granted or that the lessor may hereafter choose to grant for such or other purposes.

It is agreed that this lease shall remain in force for a term of twelve (12) months from this date (subject to the conditions hereinafter set forth) and as long thereafter as said lessee shall proceed to drill and develop said premises, as hereinafter provided, and oil and gas, or either of them is produced in paying quantities from said land by lessee, and provided further that said lessee continues to pay the royalties and rentals as herein provided.

In consideration of the premises 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.

Second: To properly case, cap and protect any well found producing gas in commercial quantities and to have properly metered on said premises all of the gas therefrom used or sold off of the premises and to deliver to the credit of the lessor, free of cost, in the gas pipe line to which he may connect his wells the equal one-eighth (1/8) part of all such gas so used or sold from said premises.

Third: In case any well on said premises is used to obtain the casinghead gas therefrom, then such casinghead gas shall be properly metered on the premises and the said lessee shall pay and deliver to the lessor the full one-eighth (1/8) part of the gross value at the well (based on the market value of the gasoline content) of all such casinghead gas so sold, taken or used, which shall be paid and delivered to the lessor in addition to the one-eighth (1/8) share of all of the oil and gas as above provided.

Full and complete monthly statements shall be rendered to the lessor showing the kind and quantity of oil or gas products sold or used and full settlement and payment shall be made to the lessor each month, or oftener, for her share of such products.

The lessee shall also promptly furnish the lessor with a full and complete copy of ^{any and} all contracts made for the use or sale of any of the said oil or gas or casinghead gas products, such copy to be furnished not later than fifteen (15) days after the contract is entered into.

Fourth: Unless lessee shall commence actual drilling of a well on said land on or before August 8, 1923, and complete a well on said land to paying production, or to the deep sand (about 2200 feet) on or before February 8, 1924, unavoidable accidents alone excepted, this lease shall terminate and be release to the lessor.

Should paying production result the lessee shall then continue to develop and operate said lease in a businesslike manner. If the first well drilled on said premises should be a dry hole at the deep sand or if should prove to be impossible or impractical to complete it to the deep sand, then the lessee shall, within sixty (60) days from the date of determining such state of facts, either commence to drill another well and proceed to complete it to the deep sand or execute a proper written