

cont'd (Oil and Gas Lease)

COMPARED

AGREEMENT, Made and entered into the 30th, day of March 1923, by and between B.E. Capps and Hazel F. Capps, his wife, of Tulsa Okla., hereinafter called lessor (whether one or more), and Beverly Oil Company of Tulsa, Oklahoma. hereinafter called lessee:

WITNESSETH: That the said lessor, for and in consideration of One (\$1.00) and no/100 Dollars, cash in hand paid, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease let unto the said lessee for the sole and only purposes of mining and operating for oil and gas and of laying of pipe lines, and of 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 South Half of Southeast Quarter of Southeast Quarter, and the North-west Quarter of Southeast Quarter, *Southeast Quarter!*

of Section 19, Township 22 N Range 13 E. and containing 30 Acres, more or less.

It is agreed that this lease shall remain in force for a term of 5 years from this date, and as long thereafter as oil or gas or either of them is produced from said land by 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 in which they may connect their wells, the equal one-eighth part of all oil produced and saved from the leased premises.

2nd. To pay lessor One-eighth of net proceeds from sale of gas, 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 principal dwelling house on said land during the same time by making his own connections with the well at his own risk and expense.

3rd. To pay lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product at the rate of Fifty Dollars, per year from the time during which such gas shall be used, payable or 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, 1924, this lease shall terminate as to both parties, unless the lessee shall on or before that date pay or tender to the lessor to the lessor's credit in the Security Natl., 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 and no/100 Dollars, which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 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 privilege granted to the date when said first rental 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