

elsewhere, insured in some good and reliable insurance company satisfactory to the party of the second part against loss or damage by fire, cyclone, storms at sea, to such an amount said insurance company will carry the same, not to exceed, however, the amount of the indebtedness hereby secured; COMPARED

(d) The parties of the first part shall pay or cause to be paid all rentals and royalties due, or to become due under the terms of said described leases at the times therein provided, and shall in accordance with the terms of said lease faithfully carry out and perform all other terms, conditions and stipulations contained in each of said leases and assignments, and shall not do any act or leave undone any act, which would be cause for forfeiture of said described leases or either of them, or which would constitute the grounds or basis for an action to cancel or annul, or set aside the same, or the leasehold estates thereby created, and the parties of the first part shall make no other mortgage, lien or encumbrance upon the property herein mortgaged during the life of this mortgage, or suffer any judgment or other lien to be levied on or attached to said premises, or the property situated thereon, and shall keep the same free, clear and discharge from any and all judgments, attachments, taxes, assessments and encumbrances.

The parties of the first part, for themselves, their heirs and personal representatives and assigns, hereby covenant and agree with the party of the second part his heirs and assigns, as follows:

(a) The parties of the first part shall make all reports required by law to be made to either the authorities of the State of Oklahoma, or the United States, under any law now existing or hereafter to exist, at sea;

(b) That if the parties of the first part shall fail to pay any taxes charged or assessed against said described leases and leasehold estates, or the oil produced therefrom or which shall be charged and levied against said property or shall fail to pay any rents and royalties provided for in said leases as the same shall become due, and in such event the said party of the second part, his heirs and assigns is hereby authorized to pay such taxes, rents and royalties, and charge the same to the account of the parties of the first part, and shall pay the same, such payment shall become a part of the indebtedness secured by this mortgage and shall be paid. But it is expressly understood and agreed that the party of the second part shall be under no obligation to make payment, and that the term "taxes and Assessments" herein used shall include any taxes upon any property or properties of the parties of the first part, and any State, United States, ad valorem, excises, production income or other taxes which may be assessed and levied thereon under any law which now exists, or which hereafter may exist;

(c) If the parties of the first part shall fail to pay the said note and indebtedness hereby secured, or any part thereof, at the time the same shall become due, or at such times as the payment thereof may be extended, together with the interest thereon, or shall fail to keep and perform any or all of the above stipulations, conditions, covenants and agreements then in either or all of such events the whole indebtedness hereby secured shall at once become due and payable, and the said party of the second part his heirs and assigns is hereby authorized to enter on and take possession of said described premises and property, and to operate and develop the same for oil and gas mining purposes, charging the expense of such operations and development to the parties of the first part and to credit on the indebtedness hereby secured, the proceeds of the interest of the parties of the first part in the oil to be produced from said premises in excess of such expenses, and it is further stipulated and agreed that if said note or any part thereof, shall not be paid when the same matures, or at any time to which the payment thereof shall be extended, or if default shall be made