

231182-GB

OIL AND GAS LEASE

CONFIDENTIAL

KNOW ALL MEN BY THESE PRESENTS: THAT,

David A. Leppke and Martha Leppke, husband and wife, of the Post office of Hillsboro, State of Kansas, hereinafter called lessor (whether one or more), for and in consideration of One Dollar and other good considerations cash in hand paid, receipt of which is hereby acknowledged, do hereby lease unto A.H. Juling hereinafter called lessee, the following described land, situated in the County of Tulsa, and State of Oklahoma;

The East Half of the Northwest Quarter and the South-east Quarter of the South-west Quarter of the North-west Quarter of Section 18, Township 21 North, Range 14 East, and containing 90 acres more or less.

The purpose of this lease is such that so long as it remains in force the lessee shall have the exclusive right to prospect and drill on said land for oil and gas and remove the same therefrom; to erect and maintain thereon and remove therefrom all necessary or proper structures and equipment, including the right to pull the casing from wells; and to install and maintain thereon and remove therefrom all tanks and other means of storage and all pipes and other means of transportation; also the right of ingress and egress at all times for any of said purposes. And subject to the royalties hereinafter reserved all of the oil and gas in and under said land is hereby granted and conveyed to the lessee.

The royalties reserved by the lessor, and which shall be paid by the lessee, are

(a) on oil, a quantity equal to one-eighth of all produced and saved, the same to be delivered at the wells or to the credit of the lessor in the pipe line to which the wells may be connected;

(b) On natural gas, at the rate of two hundred dollars per annum, payable quarterly, for each well producing gas exclusively, and from which gas is then being used off the land or sold by the lessee, the lessor to have the privilege at the lessor's risk and expense of making connections and using gas from such wells free of charge for one dwelling on the land:

(c) on gas produced from oil wells, when such gas is used for the manufacture of gasoline, one-eighth, of the market value of the gas, the same to be metered at the gasoline plant where used, the lessee having the privilege of prorating all wells there connected.

The lessee shall have the free use of oil, gas, wood and water from said land for all purposes of development and operation hereunder, and the royalty on oil and gas shall be in the net quantity saved after deducting any so used.

If operations for the drilling of an oil or gas well are not begun on said land on or before the 11th day of October 1923, this lease shall then terminate as to both parties, unless the lessee on or before said date shall pay or tender to the lessor, or to the credit of the lessor in the Guaranty State Bank at Aulne, Kansas, or its successors, which shall continue as the depository regardless of changes or divisions in the ownership of the land, the sum of forty-five and no/100 Dollars, such payment or tender may be made in the check or draft of the lessee, and however made shall operate to extend said time limit and keep this lease in force for six months from said date without any drilling operations. Thereafter, in like manner and upon like payments or tenders of the same amount by the lessee and without any drilling operations, said time limit may be further extended and this lease kept in force for like periods of time successively, six months in each instance, but in the absence of drilling operations this lease cannot be kept in force by such payments or tenders for a total period longer than ten years from the date of the