

COMPARED

## OIL AND GAS LEASE

Form 88 Producers

258599 C.M.J.

AGREEMENT, Made and entered into the 26th day of April 1924 by and between  
Frank D. Johnston and Bonnie W. Johnston, his wife,  
 of Mounds, Okla. -- party of the first party, hereinafter called lessor (whether one or more) and  
Sheridan Oil Company, a corporation, party of the second part, lessee.  
 WITNESSETH, That the said lessor, for and in consideration of One and No/100 DOLLARS,  
 cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and  
 performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let unto the said lessee, for the sole and only purpose  
 of mining and operating for oil and gas, and of laying of pipe lines, and 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:

Southwest Quarter of Southeast Quarter (SW $\frac{1}{4}$  SE $\frac{1}{4}$ )

of section 10 Township 16 N. Range 12 E. and containing forty acres, more or less.

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

2nd. To pay lessor one-eighth of the gross proceeds of 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 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 its own connections with the well at its 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 - - - 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 19 day of 19, the lease shall terminate  
 as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or the lessor's credit in the

Bank at its successors, which shall continue as the depository regardless of changes in the ownership  
 of said land, the sum of DOLLARS, which shall operate as a rental and cover the privileges of deferring

the commencement of a well for months from said date. In like manner and upon like payments or tenders the commencement of a well  
 may be further deferred for like period 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 privileges 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 in that event, if a second well is not commenced on said land within  
 twelve months from the expiration of the last rental period for which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or  
 before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And  
 it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals  
 and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein  
 provided for shall be paid the lessor only in the proportion which its interest bears to the whole and undivided fee.

Lessee shall have the right to use free of cost, gas, oil and water produced on said land for its operations thereon, except water from well of  
 lessor.

When requested by lessor, lessee shall bury its pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for damages caused by its operations to growing crops on said land.

Lessee 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.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed -- the covenants hereof shall extend  
 to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding  
 on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease  
 shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment  
 of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of  
 said lands which the said lessee or any assignee thereof shall make due payment of said rental.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem  
 for lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to  
 the rights of the holder thereof.

As a further consideration of the lessee or assigns agree to commence a well either on  
 the above described land or a diagonal offset thereto within 30 days. If the diagonal  
 well is a paying producer operations for the drilling of a well on this land shall be  
 commenced within 15 days from completion thereof.

In Testimony Whereof We Sign, this the 28 day of April 1924.

WITNESS

Frank D. Johnston (SEAL)

Bonnie W. Johnston (SEAL)

(SEAL)

## ACKNOWLEDGMENT TO THE LEASE

STATE OF OKLAHOMA, COUNTY OF SS: Before me, the undersigned, a Notary Public,  
 in and for said County and State on this day of April, 1924, personally appeared  
Frank D. Johnston and Bonnie W. Johnston, his  
wife, Notary Public and for said County and State, came Frank D. Johnston and Bonnie W. Johnston, his  
 and wife, to me known to be the identical person 8 who executed the within and foregoing instrument and

acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.  
 Given under my hand and seal the day and year last above written.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

My Commission expires Oct. 4, 1925. (Seal)

Frank Crum, Notary Public

Notary Public.

STATE OF OKLAHOMA, TULSA COUNTY, SS:

This instrument was filed for record on the 20 day of May, 1924 at 9:30 o'clock A. M.,  
 and duly recorded in Book 463 Page 306 of the records of this office.

(Seal)

O. G. Weaver,

By Brady Brown, County Clerk.

Deputy.