

COMPARED

2. This lease shall remain in force for a term of five (5) years and as long thereafter as oil, gas, casinghead, gas, casinghead gasoline, or any of them is or can be produced.

3. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option, may pay to the lessor for such one-eighth royalty the market price for oil of like grade and gravity prevailing on the day such oil is run into the pipe line, or into storage tanks.

4. The lessee shall pay to lessor for gas produced from each well where gas only is found, one-eighth of the proceeds of the sale of such gas as is sold by the lessor and one-eighth of the market value of such gas as is used off the premises but not sold. The lessor to have gas free of charge from any gas well on the leased premises for all stoves and inside lights in the principal dwelling house on said land by making his own connections with the well, the use of said gas to be at the lessor's sole risk and expense at all times.

5. The lessee shall pay to lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline, as royalty, one-eighth of the market value of such gas. If said gas is sold by the lessee, then as royalty one-eighth of the proceeds of the sale thereof.

6. Unless operations for the drilling of a well for oil or gas are commenced on said lands on or before six (6) months from the date of this lease, this lease shall automatically terminate as to both parties; Provided, that if the first well drilled on said premises is a dry hole, the lessee shall have six (6) months after the cessation of the drilling of said well within which to commence the second well, but if said well is not commenced within six (6) months this lease shall automatically terminate as to both parties; and thereafter, in like manner, by commencing the drilling of a well within six (6) months from the cessation of the drilling a dry hole this lease may be continued in full force and effect until the expiration of Five (5) years from the date hereof.

7. Notwithstanding the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided shall be binding on the heirs, devisees, executors and administrators of such person.

8. In Case 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 said lessor only in the proportion which his interest bears to the whole and undivided fee.

9. The 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 the wells of the lessor. When required by lessor, the lessee shall bury pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land; No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

10. 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