COMPARED

624

to such extent that the gas is unfit for ordinary domestic purposes, of whore the gas from any well is desired for temporary use in connection with dri lling and pumping operations on sdjacent or nearby tracts, to lessee shall have the option of paying royalties upon such gas wells of the same percentage of the gross proceeds from the sale of gas from such wells as is paid under this lease for royalty on oil. The leasor shall have the free use of gas for domestic purposes in his residence on the lessed premises, provided there shall be surplus gas produced on said premises over and above frough to fully operate the same. Failure on the part of the lessee to use a gas producing well, which cannot profitably be utilized at the rate herein prescribed, shall not work a forfeiture of this lease so far as the same relates to mining oil, but if the lessee desired to retain gas producing privileges, the lessee shall pay a renatl of one hundred dollars per annum, in advance, calculated fromdate of discovery of gas, on each gas producing well, gas from which is not marketed or not utulized otherwise than for operations under this lease. Payments of annual gas royalties shall be made within twenty five days from the date such royalties become due, other royalty payments to be made monthly on or before the 25th day of the month succeeding that for which such payment; is to be made, supported by sworn statements.

3. Until a producing well is completed onsaid premises the lessee shall pay, or cause to be paid, to said Superintendent, for the Five Civilazed Tribes, Muskogee, Oklahoma, for lessor, as advanced annual royalty, from the date of the approval of this lesse, fifteen cents per care per annum, annually, in advance for the first and accord years; thirty cents per dere per annum, annually, in advance, for the third and fourthyears; seventy five cents per scre, perannum, in advance for the fifth year; and one dollar per scre perannum, innually, in advance, for each succeeding year of the term of this lesse; it being understood and agreed that such sums of money so paid shall be a credit on stipulated royalties; and the lessee hereby agrees that said advance royalty when paid shall not be refunded to the lessee because of any subsequent surnder or cancellation thereof; nor shall the lessee be relieved from its obligation to pay said advance royalty annually when it becomes due, by reason of any subsequent surrender of cancellation of this lesse.

4 The lessee shall exercise diligence in sinking wells for oil and natural gas on land covered by this lesse and shall drill atleast one well thereon within one year from the date of approval of this lesse by the Secretary of the Interior, or shall pay, tosaid Superintendent for the Five Civilized Tribes, Muskogee Oklahoma, for the use and benefit of the lessor, for each whole year the completion of suchowell is delayed, after the date of such approval by the Secretary of the Interior, for not to exceed ten years from the date of such approval, in addition to the other considurations named herein, a rental of one dollar per sore, payable annually and if the lessee shall fail to drill at least one well within any such yearly period and shall fail to surinder his lesse by executing and recording a proper felease thereof and otherwise complying with parsgraph numbered 7 hereof on or before the end of any such year ddring which the completion of such well is delayed, such failure shall be taken and held as conclusively evidencing the election and covenant of the lessee to pay the rental of one dollar per acre for such year and thereupon the lessee shall be absolutely obligated to pay such rental of any yearly period, during which a well has not be Bompleted as provided herein, shall be a violation of one of the material and substantialterms and conditions of this lesse, and be cause for cancellation of such lease under paragraph numbered 9 hereof, but such cahcellation shall not in any wise operate to release of relieve the lessee from the covenant and obligations to pay such rental, or any other accrued obligation. The lessee may be relquired by the Secretary of the Interior, or by such offider as may be designated by him for the purpose to drill and merate wells to offset wells on adjoining tracts and within three