249215 C.J. COMPARED

OIL AND GAS LEASE

ACREEMENT, Made and entered into the 11th day of December, 1923, by and between M. S. Mussellem and P. H. Stein, parties of the first part, hereinafter called lessor (whether one or more) and A. B. Ice, party of the second part, hereinafter called lessee.

WITNESSETH: That the said lessor for and in consideration of One Dollar cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the lessee to be paid, kept and performed, have granted, demised, leased and let and by these presents do 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 pipe lines, and of 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 œunty of Tulsa, State of Oklahoma, described as follows, to-wit:

North Half of the Northeast quarter of Section 19, Township 19 North, Range 10 East and containing 80 acres more or less.

It is agreed that this lease shall remain in force for a term of six months from this date, and as long thereafter as oil or gas, or either of them, is produced from said land by lessee.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in 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 the lessor one eighth of net proceeds derived from the sale 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 free of cost from any such well for all imside stoves and all inside lights in the principal dwelling house on said land during the same time by making his own connections with the wells at his own risk.

3rd. To pay lessor for gas produced from any oil well and used off the premises, one-eighth of proceeds derived from said gas, for the time during which said gas shall be used, said payments to be made monthly, and if used in the manufacture of gasoline or any other product, a royalty of one-eighth (1/8), payable monthly at the prevailing rate.

4th. In addition to the one-eighth (1/8) regular royalty as above provided, the lessee shall give the lessor a one-eighth (1/8) of the working interest in the first well drilled on the above described land, provided said well produces oil or gas in paying quantities, and said well to be completed, freeof cost to lessor, and lessee further agrees and obligates himself to furnish all casing, tubing, rods, tanks, derrick, flow lines and all other equipment necessary in, and for a producing oil or gas well, at his own expense and without cost or liability of whatsoever nature on the part of the lessor.

Should the first well drilled be a paying oil or gas well, the lessor shall have the same working interest in and to all wells drilled thereafter on the above described land, provided the lessor pays his proportionate part of the cost necessary to drill and equip such additional wells. Should the lessee conclude to drill additional wells, he shall notify in writing the lessor of such intention and the lessor reserves the right to consent thereto and pay the expense incident to and accruing to this one-eighth (1/8) working interest, or relinquish his one-eighth (1/8) working interest in the second and all additional wells drilled on said land, and failure of lessor to make his election known to lessee, in writing, within 10 days after receiving such notice from lessee, shall be construed as a relinquishment by lessor of his one-eighth (1/8) working interest in the second and additional wells that may be drilled on the above described land.

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