

sufficient to test the Wilcox Sand, unless oil or gas in paying quantities be found at a less depth, said well shall be drilled with due diligence and in a workmanlike manner and free of any cost whatsoever to the second party.

THIRD: The parties of the first part agree to assign to the party of the second part, an undivided one-fourth (1/4) interest in the oil and gas lease above mentioned and to carry him, free of any cost and expense in the development of said lease in the manner herein set forth, but the party of the second part shall bear his proportionate share of the cost and expense of operating said lease after oil or gas has been found in paying quantities.

FOURTH: If the first well drilled as above provided shall, thirty (30) days after its completion, produce as much as one hundred (100) barrels or more of oil per day, then the parties of the first part shall immediately begin the drilling of a second well thereon, which shall be completed at the expense of the parties of the first part and if well number 2 should produce as much as one hundred (100) barrels of oil or more per day, thirty days after its completion, then they shall, at their expense, immediately begin the drilling of well number 3, and if it shall produce as much as one hundred (100) barrels of oil or more per day, thirty (30) days after its completion, then they shall in like manner immediately drill well number 4 at their expense.

FIFTH: The parties of the first part shall, at their expense, furnish sufficient tankage for well number 1, and shall bear all the cost of drilling, completing and equipping the four wells above mentioned, but the party of the second part shall share in the expense of equipping said lease with power, lease house, lines and all tankage except the tankage for the first well, and any and all other equipment or expenses that might be incurred except as above provided, in the development of said lease.

SIXTH: If any of the four wells above mentioned should produce less than one hundred (100) barrels of oil, per day and the parties of the first part should desire to drill any wells after well number 1, then the party of the second part shall share his one-fourth (1/4) of the cost of drilling the same, but the party of the second part shall have the right, if he desires to sell and dispose of his one-fourth interest to other persons, he shall then be obligated to bear such cost of such drilling. If, however, the second party should be unable to dispose of his one-fourth (1/4) interest and does not desire to participate in the further development of said lease, then he shall, upon demand of first parties, assign and convey to them or to their order, the one-fourth (1/4) interest herein granted to him, and retain no interest whatsoever in said lease except his one-eighth (1/8) royalty interest.

IN TESTIMONY WHEREOF, the parties hereto have hereunto set their hands and seals on the day and date first above written.

I. D. Simons
Jake Lyons,
Parties of the First Part.

W. N. Hudson
Party of the Second Part.

State of Oklahoma,)
County of Tulsa.) ss.

Before me, the undersigned Notary Public, in and for said county and state, on this 11th day of June, 1924, personally appeared W. N. Hudson, known to me to be the identical person who executed the above and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official the day and year last above written.

My Com. expires Sept. 14, 1924. (Seal)

Marie B. Ownby, Notary Public.

Filed for record in Tulsa, Tulsa County, Oklahoma, June 10, 1924, at 11:20 o'clock A.M. and recorded in Book 483, Page 601.