

Twp. 21 N. Range 14 East, Tulsa County, Oklahoma, COMPARED  
 said lease being dated May 22, 1918, executed by N. D. Smith, lessor, to S. T. Mallory and  
 A. D. McDonnell, lessees, recorded in Book 243, at page 578, and which is a producing lease;  
 and

whereas, the aforesaid assignment in escrow as aforesaid is to be delivered to  
 them by the said escrow holder upon the completion of a well in the NW4 of NW4 of NW4 of  
 Sec. 28, Twp. 21 N., Range 14 East, Tulsa County, Oklahoma, to what is known as the Turkey  
 Mountain sand, unless oil or gas be found in paying quantities at a lesser depth; and

Whereas, the parties are desirous that second party shall drill a test well for oil  
 and gas in Section 28, Twp. 21 North, Range 14 East, Tulsa County, Oklahoma, for a half in-  
 terest in each and all of the aforesaid leases so far as they cover the above particularly  
 described real estate, upon the terms and conditions hereinafter set out;

Now Therefore, in consideration of One Dollar (\$1.00) by each of the parties  
 to the other paid and in consideration of the mutual covenants and agreements herein contained  
 to be kept and performed, it is agreed by the parties as follows:

1. The first parties agree to immediately submit abstracts of title down to date  
 covering said leases and second party agrees to examine same within a reasonable time and sub-  
 mit in writing to first parties its objections to title or titles. First parties agree to do  
 all things reasonable necessary in attempting to remedy said objections, if any, and perfect said  
 titles.

2. Second party agrees to accept or reject said titles on or before April 25,  
 1924 and if the same are accepted and approved, second party agrees to spud in a test well for  
 oil and gas within 15 days from its acceptance of said titles, said well to be located approxi-  
 mately in the center of the NW 4 of the NW4 of the NW4 of said Section 28, Township 21 North,  
 Range 14 East, and prosecute the drilling of the same with due diligence into the Wilcox sand,  
 found at the approximate depth of 1550 feet in this vicinity, unless oil or gas be found in  
 paying quantities at a lesser depth, and second party, acting in good faith, shall have the  
 sole right of determination as to whether or not oil or gas is found in paying quantities at  
 a lesser depth than said Wilcox sand.

3. If said test well be a dry hole, then the entire cost and expense of the same  
 shall be borne by the second party and it shall have the right to remove all of its equipment  
 and materials from off the premises and shall plug said well at its sole expense.

4. If said test well be a producing well, the first parties shall pay second  
 party one-half of the actual cost of the material and equipment to be left and placed in and  
 about said well for its operation and maintenance and shall thereupon become the owners of an  
 undivided one-half interest in and to said material and equipment, but said payment by first  
 parties shall be made only out of their shares of the production obtained from said test well and  
 from any other wells drilled on any part of the above particularly described premises and  
 they shall not be obligated to pay the same except out of said production.

5. If said test well be a producing well, the second party shall have the exclu-  
 sive management and control of future operations, maintenance and development of all of the  
 aforesaid leases and leaseholds insofar as they cover the above particularly described lands  
 and first parties shall bear one-half of the expense of such management, operation, maintenance  
 and development, including a reasonable charge for office overhead and superintendent's salary  
 and second party shall have the right of determination and decision as to future development,  
 but in case of abandonment of the property by second party, it agrees to assign its interest  
 in the same to first parties and likewise, if first parties desire to abandon any of the  
 above particularly described acreage by non-payment of rental, they shall assign their inter-  
 est therein to second party so that it may pay said rental and keep said leases in good standing