

if it so desires.

COMPARED

6. The second party is hereby given a lien on the interests of first parties in and to the aforesaid leaseholds and each of them, insofar as they cover the above particularly described lands, and all wells drilled thereon and on their interest in the equipment and materials to be located thereon and used in connection therewith and on their interests in the production therefrom, to secure the payment to second party of any and all sums becoming due and owing to second party from first parties by the terms hereof, and second party shall have the right to sell at the market price and receive the proceeds from the production from any and all wells drilled on said above particularly described premises under said leaseholds or any of them, and deduct the expense chargeable to and payable by first parties and pay over to first parties each month, the balance remaining due to them, with a full and complete statement of pipe line runs, receipts of money and expenditures. Second party is hereby appointed by first parties as their attorney-in-fact with power to sign division orders for each of them to the same effect as they themselves might personally do, for the production from any and all of said leaseholds sofar as they cover the above particularly described premises, for the purposes aforesaid. It is expressly understood that first parties shall pay their proportionate share of the expense of development and operation of all wells after the aforesaid first test well and their liability for payment of said is not limited to the proceeds of the production from said wells.

7. Second party covenants and agrees to act in good faith and use its best judgment in operating and developing the leaseholds in question in a business like and economical manner and to the best interests of both parties.

8. Upon the approval and acceptance by second party of the titles to the aforesaid leases and leasehold estates, the first parties agree to make, execute and acknowledge good and valid assignments to second party of an undivided one-half interest in all of the aforesaid leases and leaseholds insofar as they cover the above particularly described premises, (it being understood that the assignment covering the S2 of NE4 of NW4 of SE4 of NW4 of Sec. 28, Twp. 21 N., Range 14 East shall be subject to the escrow agreement above mentioned) and place the same in escrow with a copy of this contract with the Exchange National Bank of Tulsa, Oklahoma, and said Bank is hereby instructed and authorized to deliver said assignments to second party when it has completed the aforesaid test well in the northwest corner of said Section 28, Township 21 North, Range 14 East, in accordance with the terms and provisions of this agreement.

This Agreement shall bind and run in favor of the parties hereto, their heirs and executors, administrators, successors and assigns.

Witness the hands of the parties the day and year first above written."

P. C. Dean

J. W. Kuhns
First Parties.

WAITE PHILLIPS COMPANY,
By B. B. Blair

Attest:

C. R. Laysy

(CORPORATE SEAL)

Vice President

Secretary

Second Party.

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

Before me, a Notary Public in and for said County and State, on this 29th day of March, 1924, personally appeared P. C. Dean and J. W. Kuhns, to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein stated.