

CASING HEAD GAS CONTRACT.

This Agreement made and entered into, this 19th day of January, 1923, between W. E. Hancock, J. H. Middleton, Sanders Oil & Gas Corporation, and J. W. R. Crawford & Sons, Inc., hereinafter called first parties, and Campbell & Sanders, a co-partnership, composed of H. Ross Campbell and W. W. Sanders, hereinafter called second party.

WITNESSETH: That,

The first parties, in consideration of the covenants and agreements herein contained, agree to sell to second party, all casing head gas issuing, and to issue from the wells of first parties, for the purpose of extracting therefrom gasolines, or gas condensates, so long as such casing head gases can be delivered to second party in quantities sufficient to be profitable to the operation of their plant, not exceeding the life of the leases; the said wells being located on oil and gas leases of the first parties, which leases are more fully described in "Schedule A", which schedule is attached hereto, and made a part of this contract as fully as if herein set out in full.

Said casing head gas or gas condensates shall be sold to second party in the manner, and for the price, and upon the terms and conditions hereinafter set forth.

1. Second party agrees to provide an "Orifice" meter, acceptable to both parties, for the measurement of the gas from each lease, and to lay a gathering line to a collective point on each lease, to be selected by first parties, for the reception of said gases, the meters to be provided by second party, at it's own expense, and shall be of standard make, in approved usage, the gas volume shall be computed on the standard basis of four ounces pressure.

2. Second party agrees to maintain to the best of their ability, the said meters in proper working conditions, and at the option of either party hereto, the said meters may be inspected and calibrated by a competent, disinterested engineer, the party so desiring the inspection and calibration to pay all expenses thereof, if the meter is found to be correct.

3. The first parties shall receive all residue gas or returned gas from second party. Second party shall have the right to use such residue gas as may be required to operate it's plant, and light and heat the dwellings of it's employees, located at the plant. In the event second party purchases gas from leasees other than first parties hereto, then second party shall only use an amount of residue gas of first parties proportionate to the total amount of residue gas computed on the basis of all the gas received into said plant from all sources; such residue gas shall be returned to first parties, and shall be delivered at a pressure up to 110 lbs. to the square inch.

4. First parties agree to deliver to second party, at a collective point to be selected by first parties on each lease, all of said suitable casing head gas from the wells now located on the respective leases of first parties, hereinafter described and set out in "Schedule A", attached hereto, and to maintain the casingheads of said wells, and all pipe lines up to said meters, tight and in good condition to prevent in leakage of air, and when any wells are to be taken out of service for repairs, first parties agree to shut the same off from connection with the gathering line by suitable stop-cocks.

5. It is agreed between the parties hereto, that the casing head gas produced hereunder, shall be taken by second party at or under an atmospheric pressure, until such time as first parties shall desire to be furnished with vacuum, and that upon the request of first parties, the second party shall, within a reasonable time, furnish on their collection lines, vacuum for first parties, up to and not in excess of twenty inches Mercury column of vacuum.

6. It is further agreed between the parties hereto, that second party shall be entitled to collect and receive all drip gasoline that may collect in, or be formed in the