

may be leased to some other party who shall have exclusive right to all oil except as herein provided.

7. If the gas lessee shall drill an oil well upon the lands described herein, he shall immediately, without removing from the well any of the casing or other equipment, notify the oil lessee and the Superintendent. In the event the oil lessee does not within thirty days after receipt of notice elect to take over such well, he shall immediately so notify the gas lessee and the Superintendent. The action taken and the disposition of such well shall be subject to the approval of the Superintendent. Should the oil lessee elect to take over the well, he shall pay the gas lessee the cost of drilling the same, including all damages paid in addition to the cost in place of casing and other equipment.

8. If the oil lessee shall drill a gas well he shall without removing from the well any of the casing or other equipment, immediately shut the well in and notify the gas lessee and the Superintendent. In the event the gas lessee does not within thirty days after receiving notice elect to take over such well and reimburse the oil lessee the cost of drilling the same, including all damages paid in addition to the cost in place of casing, tubing and other equipment, the oil lessee shall immediately confine the gas to the original stratum, and the disposition of such well shall be subject to the approval of the Superintendent.

9. If the gas lessee shall drill an oil well upon lands not leased for oil purposes, he shall immediately notify the Superintendent, furnishing him with all information pertaining thereto. When the land shall thereafter be leased for oil purposes the gas lessee shall be reimbursed by the oil lessee the cost of drilling said well including all damages paid in addition to the cost in place of casing and other equipment, and until such time as said land shall be leased for oil purposes the gas lessee shall be permitted to operate said well as an oil well upon payment of the prescribed royalty on oil.

10. If the gas lessee shall drill a well which produces both oil and gas in commercial quantities from the same sand, he shall immediately notify the oil lessee and together they shall arrange for the separation and utilization of the oil and gas, and the cost pertaining to said well.

11. Whenever oil and gas are found in separate sands, and the gas lessee desires to drill through the oil sand for the gas he may do so provided the method of protecting the oil sand shall be approved by the Inspector.

12. If at any time the oil or gas lessee desires to deepen a well, such action as may be mutually agreed upon may be taken, not in conflict with the regulations. Upon failure to agree, the disposition of such well shall be subject to the approval of the Superintendent.

13. All casing-head gas shall belong to the oil lessee.

14. The gas lessee shall furnish the oil lessee, free of royalty, sufficient gas for drilling and operating purposes at a rate to be agreed upon, or on failure to agree, the rate shall be fixed by arbitration; Provided, That the oil lessee, shall at his own expense furnish the necessary pipe and fittings to connect at and with the well, and all such connections shall be subject to the approval of the Inspector; Provided further, That the gas lessee shall not be required to furnish oil lessee with gas except from gas wells located within an area covered by their respective oil leases and during such period of time as may be determined by the Superintendent.

15. It is expressly agreed, and the other provisions of this lease are subject hereto, that in case the lessee shall be unable after the making of the initial expenditure of One hundred thousand dollars or the drilling of twenty wells for the development of said leased lands as provided in Section numbered 3 hereof, to obtain an available gas production of five million cubic feet per day of twenty four hours, on the aforesaid utilization basis,

PREPARED BY  
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