

day of March, 1924, executed and delivered to the party of the second part, his certain promissory note payable without grace and with interest at the rate of  $\frac{1}{2}\%$  per annum, from maturity until paid, said note being due and payable six months after date of same, and containing the further provision that he shall pay said note at maturity and any and all renewal of said note in whole or in part, as and when it and they become due and payable until the whole of said principal sum or debt has been fully paid.

Now, therefore, as security for the payment of said promissory note or renewals thereof hereinabove described the party of the first part does by these presents mortgage unto the party of the second part, its successors and assigns the above described oil and gas mining leases and oil and gas leasehold estates and all right, title and interest and estate of the party of the first part in and to all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, including all oil stored on said land belonging to party of the first part and all oil and gas wells, oil well supplies and machinery of every kind and character, buildings, derricks, pipe lines tanks, casings, telephone lines, live stock vehicles located on, in or under said above described property and all other property of every kind and description on the said leases or belonging to said leases, wherever located.

As further security for payment of said note and interest thereon the party of the first part hereby sells, assigns, transfers and sets over to the party of the second part, an undivided one-half interest of all of the mineral, oil and natural gas produced and saved from the said premises until the said note and all sums due thereupon are fully paid; and the party of the first part agrees upon demand of the party of the second part to execute any other and further instruments of writing, including those required by the Pipe Lines Companies or purchasing parties, that are now or may hereafter be necessary to transfer said part or said oil and gas to the party of the second part, or to secure the payment for same to be made to the said party of the second part.

It is further agreed that the party of the second part may until all sums which are due upon said note are fully paid, the said party of the second part shall apply thereto at such times, and in such quantities and at the then market price as the party of the second part may think proper, the said oil and gas, however, to be sold at intervals of not more than sixty (60) days, and all moneys received from such sales shall be held by said party of the second part until maturity of said note, or to the date to which it has been extended at which time if the same has not been fully paid the said party of the second part shall apply as payment on said note and as credit thereupon the sum to the credit of the party of the first part with the party of the second part from such sales of oil and gas. No part of the sums received by the party of the second part from sales of such oil and gas shall be payable to party of the first part until the indebtedness hereby secured is fully paid.

It is further agreed that the party of the second part at the maturity of said note if there be not sufficient funds to the credit of the party of the first part from the sales of said oil and gas to fully pay the same, may renew said note for a like term as the original term without notice to party of the first part, unless the party of the first part shall elect at such time to make full payment of the same, at the rate of interest, which interest shall be paid in advance, for such renewal term from the sum to the credit of the party of the first part from the sale of said oil and gas, and shall be deducted therefrom by the party of the second part. And the said party of the second part may continue to renew such note from time to time, when due, without notice in the same manner for a like term and upon the same terms until the amount of said note and interest is fully paid.