

266961 C.J. (MCMANMON)

ESCROW AGREEMENT

This agreement, Made and entered into this 24th day of June, 1924, by and between J. M. Light and Maude V. Light (husband and wife) F. J. Welch and Rosalea Welch (husband and wife) Maud E. Graff and Bennett Graff (her husband) R. W. Earley (a single man) F. R. Pope and Myrtle Pope P.O. Pope (his wife) F. B. Austin and Blanche Austin (his wife) J. W. Watson and Lula Watson his wife & John P. Henderich and Margie Henderich his wife, parties of the first part, and J. F. MCMANMON, party of the second part:

THAT, in consideration of the payment of the sum of One Dollar (\$1.00), each to the other party in hand paid, the receipt of which payment is hereby acknowledged, and in consideration of the performance by the parties hereto of the covenants and agreements herein-after set forth, it is agreed by and between the parties hereto as follows:

FIRST: The parties of the first part own in fee simple the

South 25 acres of the SE4 of SE4 of SECTION 29-19-12

Tulsa County, and have, this day, executed, acknowledged and delivered in escrow to the Security National Bank, of Tulsa, Oklahoma, together with a copy of this contract, an oil and gas mining lease to second party, an unexecuted copy of which is hereto attached, marked exhibit "A" and made a part hereof, covering the lands hereinbefore described.

SECOND: The party of the second part is hereby given a period of ten (10) days from date hereof within which to examine abstract of title to the above described lands and if the title to said lands, or any portion thereof, is not found merchantable in first parties, then, and in that event, the second party shall forthwith notify the aforesaid bank and said lease shall be returned to parties of the first part unless party of the second part shall elect to accept said title notwithstanding the defects contained therein. In the event party of the second part shall not elect to accept said title, the parties hereto shall be relieved of all further liability or obligations hereunder. If title is approved, however, then said bank shall be notified and it shall then hold said escrowed lease subject to the terms and provisions of Paragraph three (3) hereof, provided after approval of said title party of the second part, shall deposit in said bank to credit of parties of the first part the sum of five dollars per acre as an additional bonus for said lease.

THIRD: In the event of approval of the title to the above described premises, party of the second part, his successors or assigns, shall, on or before sixty (60) days from the approval of said title, enter upon the above described lands, or upon some tract adjacent to or abutting said lands and spud in a well for oil or gas at some location selected by second party, or his representative and proceed with the drilling thereof with due diligence and in a workmanlike manner at his exclusive expense, to a depth sufficient to test the Turkey Mountain Sand found at approximately Twenty-three hundred (2300) feet, unless oil or gas is found in paying quantities in any of the horizons appearing at a lesser depth. In the event said well shall be spudded on some tract adjacent to or abutting the lands described herein, it is agreed by and between the parties hereto that said well shall not be further than one quarter (1/4) of a mile away in any direction from the boundary lines of the property hereinbefore described.

FOURTH . In the event said second party does not spud in said well upon the premises herein described, or upon some tract adjacent to or abutting said premises, within sixty (60) days from the approval of said title, then said bank shall deliver said lease to parties of the first part and the parties hereto shall be relieved of any and all liability or obligations hereunder, and in the event said second party does spud in said well either on the premises described herein or on some adjacent or abutting tract, within the period herein specified, and prosecute the drilling thereof to a depth sufficient to test said Turkey Mountain Sand, or unless oil or gas is found in paying quantities at a lesser depth, then