

The First Party agrees to furnish or pay to the Second Party his pro rata share on the basis of production for major replacements required from this date through ordinary operation, such as tubing, rods, belts for powers etc.

In event production has not been doubled on the above described property on a monthly basis by September 15th, 1925 this contract becomes null and void at the option of either party. If, on account of operation or equipment placed thereon by Second Party the production of this lease is less than the normal decline for the fifty month after date of completion of plant the First Party has option to cancel this contract, and the First Party shall have option to buy equipment at the cost of installation. The Second Party agrees to return the property to the First Party in as good condition as received, fair wear, tear and depletion excepted.

It is mutually agreed by the parties hereto that while the management of said lease is turned over to the Second Party that said Second Party shall confer with said First Party in making any and all major changes and if said operation or change shall prove detrimental in the opinion of the First Party to said production or property, Second Party shall not do such work or make such change, without first Party's consent.

In the event that First Party after six (6) months from date of this contract wishes to sell this property, the Second Party has the refusal of the sale price if determined within five days after notice by First Party. If Second Party fails to purchase First Party's interest after said notice, then Second party agrees to join with the First Party in the sale of said property and equipment together with one-fourth (1/4) interest in all equipment and installation of compression plant for the consideration of Five Hundred (\$500.00) per barrel for Second Party's one-third (1/3) of the seven-eighths (7/8ths) working interest of the increased production based on the production of the preceeding thirty days, but said Second Party shall not receive more than twenty-five percent (25%) of the sale price of said property plus one-sixth (1/6) the balance due on equipment and installation of the compresssion plant. If in the event of the sale of the said above described property said Second Party has failed to increase said production on said property then said Second Party shall receive no part of the consideration of the sale price but said First Party shall have the option of buying said compression plant and equipment at actual cost from said Second Party; but if First Party does not exercise the option of buying said plant, the said Second Party shall have the option to remove the same but shall leave the above described property in as good shape and condition as it is ~~on~~ the day he takes over the management of same, fair wear, tear and depletion excepted.

If said Second Party is successful in increasing the production on said property fifty percent (50%) for a period of thirty days, then said Second Party shall receive the following consideration for his work and investment.

A. 1/3 of the increase of the oil production of the 7/8ths working interest as long as production exceeds the normal decline.

B. In addition to (a) 1/3 of the increase oil production until one-sixth (1/6) of the cost of the plant and installation is paid for from this 1/3.

Payment on above is to start with month in which production is increased fifty percent (50%) monthly and to be made on the basis of 7/8ths working interest by the 15th of the month succeeding production.

It is mutually understood that the compressionplant and installation cost shall be the actual cost for the compression plant and the installation and any changes necessary during the first year and also One Hundred (\$100.00) for superindendence. The total cost of said plant and installation thereof shall not exceed \$5,000.00.

COMPARED BY
PS 96
Jm