

the above described lands, subject, however, to the exceptions and restrictions hereinafter set forth in paragraph No. 2 and No. 3, together with all personal property used or obtained in connection therewith.

2. In this connection, it is understood and agreed however, that the said party of the first part shall be entitled to receive and to continue to receive all of the oil, gas or other minerals produced from the interest herein conveyed until the amount received from said undivided 1/24th interest shall amount to and equal the full 1/24th part of all of the necessary costs, charges and expenses paid and incurred properly in the drilling, development, equipment, maintenance and operation of the oil and gas wells upon said property, subsequent to the first well being completed into the tank. In this connection it is understood that said party of the second part is not and shall not be required to pay any part of the costs of the drilling and completion of said first well into the tank.

3. It is further understood and agreed that if and when the total proceeds received from said undivided 1/24th interest from said property prior and subsequent to this date shall equal the full 1/24th part of all of the costs, charges and expenses of every nature to be charged against said 1/24th interest, as in the preceding paragraph provided, then, in that event said party of the first part shall execute and deliver unto party of the second part such transfer or division order as may be proper or necessary to cause all of the proceeds arising from the sale of all oil or gas thereafter produced from said property and belonging to said 1/24th interest therein, to be paid unto the said party of the second part.

4. Each of the parties hereto agrees and binds himself and itself to execute and deliver to the other party such transfer or division order as may be necessary to carry into effect such and all of the provisions and terms of this contract.

5. It is further understood and agreed that party of the first part shall submit unto the said party of the second part, from time to time statement of the moneys and funds received from said property for the sale of oil or gas therefrom, together with statement of all of the necessary costs, charges and expenses to be paid out of said undivided 1/24th interest in said property from time to time, as and when such expenses are incurred and proceeds received; but first party shall not be required to make statements oftener than once each month.

To have and to hold the above and foregoing property, subject to the provisions above made, unto the said party of the second part, together with all of the hereditaments and appurtenances thereunto belonging or in any wise appertaining.

In witness whereof the parties hereto have affixed their names and signatures this the day and year first above written.

(Corp. Seal) Harmack Petroleum Company,

By F. B. McDonald, President,

Party of the first part.

Attest: B. H. Harrison, Secretary.

J. F. Ayers, Party of the second part.

State of Oklahoma)

County of Tulsa ) SS Before me, the undersigned, a Notary Public, in and for said County and State, on this 21st day of November, 1924, personally appeared F. B. McDonald, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

(SEAL) C. H. Steel, Notary Public.

My commission expires 36/1927.