

271526 C.J.

OIL AND GAS LEASE.

* FIRST NAT'L BANK
 * TULSA, OKLA.
 * File No. 2172
 * ESCROW DEPT.

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THIS AGREEMENT, entered into this 21st day of May, 1924, between Madge M. Barnes, the owner of an undivided one-half (1/2) interest in the land hereinafter described, E. H. Hubbard, the owner of an undivided one-fourth (1/4) interest, and W. A. Porter, the owner of an undivided one-fourth (1/4) interest, of Muskogee, Oklahoma, and Tulsa, Oklahoma, parties of the first part, hereinafter called Lessor, and V. M. Come, party of the second part, hereinafter called Lessee, WITNESSETH:

That lessor, in consideration of One Dollar cash bonus, in hand paid by the lessee, the receipt of which is hereby acknowledged, and of other good and valuable considerations, and of the covenants and agreements hereinafter contained, has granted, demised, leased and let, and by these presents does (grant, demise, lease and let) unto the said lessee, for the term of one year from the date of this agreement, and so long thereafter as oil or gas is produced in paying quantities from the said premises, for the sole and only purpose of operating for and producing oil and gas thereon and therefrom, together with the rights of way and servitudes for pipe line, telephone and telegraph lines, for tanks, power houses, stations and fixtures for producing and caring for such products and housing and boarding employees, and all other rights and privileges necessary, incident to or convenient to the economical operation of said land, alone or conjointly with neighboring lands, for oil and gas, with the right to use free oil, water and gas for his operations thereon, but not the right to use water from lessor's wells or artificial ponds, for such purposes and with the right to remove either during or after the term hereof all or any property and improvements placed or erected on the premises by the lessee, including the right to pull all casing, said land being situate in the County of Tulsa and State of Oklahoma, and more particularly described as follows:

The Southwest quarter of the Southwest Quarter of Section Thirty (30), Township Seventeen (17) North, Range Thirteen (13) East, otherwise described as Lot 4, of Section 30, township 17 North, Range 13 East, containing 40 acres, more or less.)

1st. Lessee agrees to deliver to the credit of lessor, free of cost, into the pipe line with which he may connect his wells, the equal one-eighth (1/8) part of all oil and gas produced and saved from the leased premises, or at the option of lessee, the lessee may purchase the oil so delivered into the pipe line to credit of lessor at the market price being paid within the field at the time and day of delivery. It is understood and agreed, however, that the second party is to market the royalty oil of first party together with its working interest at the same time and without discrimination.

2nd. Lessee agrees to begin operations for the drilling of an oil or gas well within twelve months from this date upon the above described land, or upon a forty (40) acres adjacent thereto, and to prosecute the drilling of same with due diligence, unavoidable delays excepted, to the Wilcox sand, unless oil or gas in paying quantities is found at a lesser depth. Should the lessee fail to drill said well as aforesaid, or should said well when drilled to the well as aforesaid, or should said well when drilled to the required depth be dry, then, at the election of lessee and upon written notice to the lessor, he shall have the right and privilege of surrendering this lease. But in the event that the said well so to be drilled shall produce gas or oil in paying quantities, or at the option of the lessee in the event the said first well shall be dry, then the lessee shall within six months from the date of the completion of said first well begin a second well, which shall be located upon the land hereby leased, and work upon the same shall be prosecuted with due diligence and to the Wilcox sand