

the County of Creek, State of Oklahoma, to-wit:

The Northwest Quarter of Section Seventeen, Township Sixteen North, Range Twelve East, containing 160 acres, more or less.

IN CONSIDERATION OF WHICH, the party of the second part hereby covenants and agrees;

1st. To deliver to the credit of the first party, his heirs, successors or assigns, free of cost, in the pipe line to which said party of the second part may connect his wells, or in tanks, the equal one eighth part of all oil produced from said premises.

2nd. To pay to the party of the first part, his heirs, successors or assigns, for each and every gas well drilled on said premises as follows: At the end of each quarter dating from the discovery of gas, if the gas therefrom during that period is marketed or used other than as hereinafter provided, an equal quarterly payment at the rate of Two Hundred and Fifty Dollars per year; if the gas therefrom during that period is not marketed or used other than as hereinafter provided, an equal quarterly payment at the rate of Fifty Dollars per year; said quarterly payments to be made in hand or deposited to the credit of the party of the first part in the bank hereinafter named.

In case no well be completed on above premises to a depth of 2,000 feet or to a sand productive of either oil or gas in paying quantities within one year from the date hereof, this lease shall become null and void and without further effect whatsoever unless the party of the second part shall pay for the delay at the rate of \$1.00 per acre in advance for each and every year thereafter during the term of this lease until a well is completed as above or this lease surrendered as hereinafter provided. Such payments may be made in hand or deposited to the credit of the party of the first part in the First National Bank of Beggs, Oklahoma.

Party of the second part agrees to carry on operations in a workmanlike manner, to locate all wells so as to interfere as little as possible with cultivation, to pay all damages done to growing crops by reason of the operations on said premises for oil and gas, including the damage resulting from the burying and removing of pipe lines; and unless with the consent of the party of the first part to locate wells within 100 feet of any house or houses on the premises; to commit no waste on the premises and to use said premises for no purpose other than those necessary or incidental to the operation of said lease for oil and gas, and the piping, storing and removing of the same; to bury all oil, gas and water lines to a depth of ten inches whenever party of the first part shall so request; to surrender the premises immediately upon the termination of this lease to the party of the first part, at which time all structures, whether permanent or temporary, erected or caused to be erected on the said premises by party of the second part; and all improvements, trade fixtures, engines, machinery, pipe lines, drilling and operating outfits and all casing not in actual use, shall remain the property of the party of the second part, and party of the second part shall have a reasonable length of time thereafter not to exceed 60 days within which to remove the same from the premises.

Party of the second part further agrees that before abandoning any well he will securely plug the same so as to shut off all water above the oil bearing horizon, and agrees to securely shut in or confine the gas in all wells productive of gas in paying quantities.

Party of the second part shall have the right to obtain from wells or other sources on the above described land by means of pipe lines or otherwise, a sufficient supply of water to carry on said operations, and shall have the right to use oil and natural gas from said premises as fuel so far as it is necessary to the prosecution of said operations.

Party of the first part shall have the free use of gas for domestic purposes for one residence on the premises, by making his own connections at the well or wells.

It is further agreed that the party of the second part may at any time, upon the payment of Ten Dollars and all outstanding obligations accrued to date which shall have arisen under