

OIL AND GAS MINING LEASE, OKLAHOMA.

THIS INDENTURE OF LEASE, Made and entered into this 15th, day of March, A. D., 1909, by and between J. J. Fields, as Guardian of Lula Fields, of Tulsa, Okla., party of the first part hereinafter designated as lessor, and W. E. Halsell, of Vinita, Okla., party of the second part hereinafter designated as lessee, WITNESSETH:

1. The lessor, for and in consideration of Eighty Dollars, the receipt whereof is acknowledged, and of the royalties, covenants, stipulations and conditions hereinafter contained, and hereby agreed to be paid, observed and performed by the lessee, does hereby demise, grant, lease and let unto the lessee, for the term of twelve years from the date hereof, and as much longer thereafter as oil or gas is found in paying quantities, the oil deposits and natural gas in and under the following described tract of land; lying and being within the county of Tulsa and State of Oklahoma, to -wit:

The West Half of North East Quarter of Section 26, Township 22, Range 13 East of the Indian Meridian and containing Eighty Acres, more or less according to the United States Survey thereof, with the exclusive right to prospect for, extract, pipe, store, and remove oil and natural gas, and to occupy and use so much only of the surface of said land as may reasonably be necessary to carry on the work of prospecting for, extracting, piping, storing and removing such oil and natural gas, also the right to obtain from wells and other sources on said land, by means of pipe lines or otherwise, a sufficient supply of water, to carry on said operations, and also the right to use, free of cost, oil and natural gas as fuel so far as necessary to the development and operation of said property.

2. The lessee hereby agrees to pay or cause to be paid to the lessor, as royalty, the sum of 12½ per cent. of the gross proceeds of all crude oil extracted from the said land, such payment to be made at the time of sale or removal of the oil. And the lessee shall pay as royalty in advance on each gas producing well utilized otherwise than as provided herein, one Hundred and Fifty Dollars per annum. The lessor shall have the free use of gas for domestic purposes in his residence on the leased premises, provided there be surplus gas produced on said premises over and above enough to fully operate the same. Failure on the part of the lessee to use a gas-producing well, which can not profitably be utilized at the rate herein prescribed, shall not work a forfeiture of this lease so far as the same relates to mining oil but if the lessee desires to retain gas producing privileges, lessee shall pay a rental of Fifty Dollars per annum in advance on each gas-producing well, gas from which is not marketed or not utilized otherwise than for operation under this lease, the first payment to become due and to be made within thirty days from the date of the discovery of gas.

3. The lessee shall exercise diligence in sinking wells for oil and natural gas on land covered by this lease, and drill at least one well thereon within twelve months from the date hereof: Provided, however, there is reserved and granted to the lessee the right and privilege of delaying the drilling of said well for not exceeding five years from the date hereof by paying to the lessor, the sum of One Dollar per acre per annum for each year the completion of such well is delayed, payable on or before the end of each year; but lessee may be required to drill and operate wells to offset paying wells on adjoining tracts and within three hundred feet of the dividing line.

4. The lessee shall carry on development and operation in a workmanlike manner, commit no waste on the said land and suffer none to be committed upon the portion in his occupancy or use, take good care of same and promptly surrender and return the premises upon the termination of this lease to lessor or to whomsoever shall be lawfully entitled thereto, unavoidable casualties excepted; shall not remove therefrom any buildings or permanent improvements erected thereon during the said term by the said lessee, but said buildings ^{and improvements} shall