

TRANSFERABLE ONLY WITH CONSENT OF THE SECRETARY OF THE INTERIOR.

OIL AND GAS MINING LEASE UPON LAND SELECTED FOR ALLOTMENT, CHEROKEE NATION,
INDIAN TERRITORY.

(Section 72, Act of July 1, 1902, 32 Stat., 716, 726.)

THIS INDENTURE OF LEASE, Made and entered into, in quadruplicate, on this 19 th, day of January A. D., 1906, by and between Frederick Daugherty, of Vinita, Indian Territory, party of the first part, and Owasso Oil Company, a corporation organized i under the laws of the State of Delaware, of Blairsville, Pa., party of the second part, under and in pursuance of the provisions of Section 72 of the Act of Congress approved July 1, 1902, and the regulations prescribed by the Secretary of the Interior there under.

WITNESSETH: That the party of the first part in consideration of the royalties, cove-nants, stipulations and conditions hereinafter contained, and hereby agreed to be paid, observed and performed by the party of the second part, its successors and assigns, does hereby demise, grant and let unto the party of the second part, its successors and assigns, for the term of fifteen years from the date hereof, all the oil deposits and natural gas in or under the following described tract of land, lying and being within the Cherokee Indian Nation and within the Indian Territory, to-wit:

The E/2 of NE/4 of NE/4; the N/2 of SE/4 of NE/4; and the SW/4 of SE/4 of NE/4 of Section Twenty Four (24) Township Twenty two (22) North, Range Twelve (12) East, of The Indian Meridian, and containing Fifty (50) acres more or less, with the right to prospect for, extract, pipe, store, refine and remove such oil and natural gas, and to occupy and ^{use} ~~use~~ so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for extracting, piping, storing, refining and removing such oil and natural gas, including also the right to obtain from wells or other sources on said land, by means of pipe lines or other wise a sufficient supply of water to carry on said operations, and including still further the right to use such oil and natural gas as fuel so far as it is necessary to the prosecution of said operations.

In consideration of which the party of the second part hereby agrees and binds itself its successors and assigns, to pay or cause to be paid to the lessor as royalty the sum of ten per cent of the value on the leased premises, of all crude oil extracted from the saidland, and of the parties do not before the tenth day of the mont succeeding such extractionm agree upon the value of the crude oil on the leasedpremises, the value thereof shall finally be determined under the direction of the Secretary of the Interior in such manner as he shall prescribe, and to so pay the royalty accruing for any month on or before the twenty-fifth day of the month succeeding, and where the value of the crude oil fluctuates, the average value during the month shall constitute the criterion in computing the royalty; and to pay in yearly payments, at the end of each year, one hundred and fifty dollars riyalty on each gas producing well, the lessor to have free the use of gas for lighting and warming his residence ion the premises. But failure on the part of the lessor to use a gas producing well shall not consitute a forfeiture of this lease so far as the same related to the mining oil, but of the lessee desires to retain gas producing privileges it shall pay a royalty of fifty dollars per annum on each gas producihg well, not utilized, the first payment to become due and to be made within thirty days from the date of the discovery of gas, payment thereafter for such wells to be made in advance at the first of each succeeding year, dating from first payment.

And the party of the secondpart further agrees and binds itself, its successors and assigns, to pay or cause to be paid to the lessor, as advanced annual royalty on this