

SAML DODSWORTH BOOK CO., LEAVENWORTH, KAN. No. 201ST.

LEASE

TRANSFERABLE ONLY WITH CONSENT OF THE SECRETARY OF THE INTERIOR.

(Sec. 19 and 20, Act of April 26, 1906,) 34 Stat. L. 137.

part ~~A~~ of the first part, lessor....., and

WITNESSETH, That the part 4 of the first part, for and in consideration of the royalties, covenants, stipulations, and conditions hereinafter contained, and hereby agreed to be paid, observed, and performed by the part 4 of the second part, the heirs, successors, and assigns, do hereby demise, grant, and let unto the part 4 of the second part, his heirs, successors, and assigns, for the term of fifteen years from the date hereof, all of 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

In consideration of which the part of of the second part hereby agree and binds himself his heirs, successors, and assigns, to pay or cause to be paid to the United States Indian Agent, Union Agency, Indian Territory, for the lessor, as royalty, the sum of 10 per cent. of the gross proceeds, on the leased premises, of all crude oil extracted from the said land, such payment to be made at the time of sale or disposition of the oil; and the lessee shall pay in yearly payments at the end of each year one hundred and fifty dollars royalty on each gas-producing well which he shall use. The lessor shall have the free use of gas for lighting and warming his residence on the premises. It is further agreed that a failure on the part of the lessee to use a gas-producing well, where the same can not be reasonably utilized at the rate so prescribed, shall not work a forfeiture of this lease so far as the same relates to mining oil, but if the lessee desired to retain gas-producing privileges he shall pay a royalty of fifty dollars per annum, in advance, on each gas-producing well not utilized, the first payment to become due and to be made within thirty days from the date of the discovery of gas.

The part of the second part further covenants and agrees to exercise diligence in the sinking of wells for oil and natural gas on the lands covered by this lease, and to drill at least one well thereon within twelve months from the date of the approval of the bond by the Secretary of the Interior, and should the part of the second part fail, neglect, or refuse to drill at least one well within the time stated, this lease may, in the discretion of the Secretary, be declared null and void, after ten days' notice to the parties; provided that the lessee shall have the privilege of delaying operations for a period not exceeding five years from the date of the approval of the bond to be furnished in connection herewith, by paying to the United States Indian Agent, Union Agency, Indian Territory, for the use and benefit of the lessor, in addition to the required annual advance royalty, the sum of one dollar per acre per annum for each leased tract remaining undeveloped, but the lessee may be required to immediately develop the tracts leased, should the Secretary of the Interior determine that the interests of the lessor demand such action.

he will not use such premises for any other purposes than those authorized in this lease, and that before abandoning any well *he* will securely plug the same so as to effectually shut off all water above the oil-bearing horizon.

And it is mutually understood and agreed that this indenture of lease shall in all respects be subject to the rules and regulations heretofore or that may hereafter be lawfully prescribed by the Secretary of the Interior relative to oil and gas leases in the Cherokee or that this lease, or any interest therein, shall not, by working or drilling contract or otherwise, or the use thereof, directly or indirectly, be sublet, assigned, or transferred without the consent of the Secretary of the Interior first obtained, and that should he or

...sublessees, heirs, executors, administrators, successors, or assigns violate any of the covenants, stipulations, or provisions of this lease, or any of the regulations, or fail for the period of sixty days to pay the stipulated royalties provided for herein, then the Secretary of the Interior, after ten days from notice to the parties hereto, shall have the right to avoid this indenture of lease and cancel the same, when all the rights, franchises, and privileges of the lessee ... has ... sublessees, heirs, executors, administrators, successors, or assigns hereunder, shall cease and end without resorting to the courts and without further proceedings, and the lessor ... shall be entitled to immediate possession of the leased land and the permanent improvements located thereon.

If the lessee make the reasonable and bona fide effort to find and produce oil in paying quantity, as herein required of him and such effort is unsuccessful, he may at any time thereafter, with the approval of the Secretary of the Interior, surrender and wholly terminate this lease upon the full payment and performance of all his then accrued and payable obligations hereunder: PROVIDED, HOWEVER, That approval of such surrender by the Secretary will be required only during the time his approval of the alienation of the land is required by law.