

SAM'L DORSWORTH BODE CO, LEAVENWORTH, IOWA No 2367

# LEASE

TRANSFERABLE ONLY WITH CONSENT OF THE SECRETARY OF THE INTERIOR.

(Sec. 19 and 20, Act of April 26, 1906.) *Instal. 2.3*

at Fairb. Oklahoma

part <sup>of</sup> of the second part, lessee       , under and in pursuance of the provisions of Section 17, of the Act of Congress approved <sup>June 26, 1906</sup> June 30, 1906, and the regulations prescribed by the Secretary of the Interior thereunder:

South East 1/4 of the North West quarter (4)  
of section 27, township 16, range 14, of the Indian Meridian, and containing

In consideration of which the part 4 of the second part hereby agree and bind itself it 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 ~~yearly~~ yearly payments at the end of each year one hundred and fifty dollars royalty on each gas-producing well which ~~shall use~~ 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 desire to retain gas-producing privileges it 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 covenant and agree... 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.

ises under. to control, nor allow any intoxicating liquors to be sold or given away for any purposes on such premises; that a will not use such premises for any other purposes than those authorized in this lease, and that before abandoning any well it will securely plug the same so as to effectually shut off all water above the oil-bearing horizon.

And the said part 9 of the second part further covenants and agrees that it will keep an accurate account of all oil-mining operations, showing the sales, prices, dates, purchasers, and the whole amount of oil mined or removed; and all sums due as royalty shall be a lien on all implements, tools, movable machinery, and all other personal chattels used in said gaspraising and mining operations, and upon all of the unsold oil obtained from the land herein leased, as security for the payment of said royalty.

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 Great Nation and 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 it or

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 it = sublessee, 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 reasonable and bona fide effort to find and produce oil in paying quantity, as herein required of it and such effort is unsuccessful, it 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 it 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.