

If the lessee makes 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 its 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.

It is further expressly agreed that this lease is made with full knowledge of the fact that under the regulations prescribed by the Secretary of the Interior governing the leasing of lands in the Creek Nation, Indian Territory, lessees are prohibited from being directly or indirectly interested in leases, in their own names or in the names of other persons, or as owners or holders of stock in corporations, or as members of associations, covering an aggregate of more than 4,800 acres of land in the Creek and Cherokee nations, that the said prohibition is made a part and condition of this lease, and that the Secretary of the Interior reserves the right to cancel leases at any time during the period for which they are to run, after notice as herein mentioned, when he is satisfied that the terms of the lease or of the regulations heretofore or hereafter prescribed have been violated in any particular, and it further agrees not to transfer, assign, or sublet, by working or drilling contract or otherwise, or allow the use of the land leased, or any oil or gas in or under it, without first obtaining the consent of the Secretary of the Interior, and that any violation of the lease or of the regulations heretofore or hereafter prescribed by the Secretary of the Interior, respecting oil and gas leases in the Creek Nation, shall render this lease subject to cancellation, after ten days from receipt by it of notice, in the discretion of the Secretary of the Interior, whose declaration of cancellation shall be effective without resorting to the court and without further proceedings, and that the lessor shall then be entitled to immediate possession of the land.

If, at any time, the Secretary of the Interior, after due notice to the persons or parties interested, determines that any person, partnership, or corporation has, by means of stock ownership or otherwise, directly or indirectly, obtained and holds interests in leases of oil and gas properties in said Territory, said leases covering, in the aggregate, an area of more than 4,800 acres, and further finds that the property herein leased is a part of said aggregate area, then the Secretary of the Interior may cancel this lease in the same manner as provided for in the case of any violation of the terms of said lease.

It is further agreed and understood that the approval of this lease shall be of no force or effect, unless the part y of the second part furnished, within sixty days from the date of approval of the application filed in connection herewith, a bond to the satisfaction of the Secretary of the Interior, in accordance with the regulations of March 20, 1905, prescribed by the Secretary of the Interior, which shall be deposited and remain on file in the Indian Office during the life of this lease.

In Witness Whereof, The said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

ATTEST:

Gordon J. Murray, Secretary

(Corporate Seal)

Netta Harrell nee Longo [SEAL.]

Phoenix Oil & Gas Company [SEAL.]

Ray Shou J. Booth [SEAL.]

Vice President

Two witnesses to execution by lessor:

Matthew A. Thompson

P. O., Muskogee, I. T.

Rose M. Simpson

P. O., Muskogee, I. T.

Two witnesses to execution by lessee:

Frank G. Martin

P. O., Sahlequah, I. T.

E. B. Huston

P. O., Independence, Kans.

Department of the Interior, U. S. Indian Service, Union Agency, Muskogee, Indian Territory, May 4, 1907. The within lease is forwarded to the Commissioner of Indian Affairs with recommendation that it be Approved. See my report of even date. Dana H. Kelsey U. S. Indian Agent.

Department of the Interior, Office of Indian Affairs, Washington, D. C., May 20, 1907. Respectfully submitted to the Secretary of the Interior, with recommendation that it be Approved, C. F. Larrabee, Acting Commissioner.

Department of the Interior, Washington, D. C., May 27, 1907. Approved Jesse E. Nelson, Assistant Secretary of the Interior.

Filed for Record June 11 1907, at 2:00 o'clock P. M.

Ohio Lester

Deputy Clerk and Ex-Officio Recorder.