· 1 0 0

will securely plug the same so as to effectually shut off all water above the oil bearing

And it is mutually understood and agreed that no sublease, assignment or transfer of this lease or of any interest therein or thereunder can be directly or indirectly made. without the written consent thereto of the lessor and the Secretary of the Interior first obtained, and that any such assignment or transfer made or attempted without such consent

And the said party of the second part further cobenants and agrees that it will keep an accurate account of all oil mining operations, showing the whole amount of oil mined or removed; and all sums due as royalty shall be a lien on all implements, tolls, movable machinery and other personall chattels used in said prospecting and mining operations, and upon all oil obtained from theland herein leased, as security for thepayment of said royale? ties.

And the party of the second part agrees that this indenture 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

And the said party of the second part expressly agrees that should it, or its sublessees, heirs, executors, administrators, successors or assigns, violate any of the covenants stipulations, or provisions of this lease, or fail for the period of sixty days to pay the stapulated monthly royalty provided for herein, then theparty of the second part shall be at liberty in his discretion to avoid this indenture or lease and cause the same to be annulled, when all the rights, franchises and privileges of the party of the second part/ its sublessees, heirs, executors administrators, successors or assigns hereunder shall cease and end without further proceedings.

If the lessee makes reasonable; and bona fide effort to find and produce oil in paying quantity as is herein required of it, and such effort is unsuccessful , it may at any time thereafter, with the approval of the Secretary of the Interior, su render and wholly terminate this lease upon the full payment and performance of all its then existing obligations hereunder: Provided, however, that approval of such surrender by the Secretary will be required only during the time this approval of the alienantion of the land is required by law.

It is further agreed and understood that this lease shall be of no force or effect unless heparty of the second part shall, within sixty days from the date of the a pproval of the application filed in connection herewith, furnish a satisfactory bond in accordance with the regulations of may 4, 1903, 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 saidparties have hereunto subscribed their names and affixed their seals, the day and year first above mentioned.

All alterations and erasures made before signing.

Attest: James E. Hopkins. (Two witnesses to execution by lessor.) Hulette F. Aby, P. O. Tulsa, I.T. John E. Pearson, P. O. Tulsa, I. T. (Two witnesses to execution by Lessee.) George C. Butte, P. O. Muskogee, I. T.

James P. Lloyd, Guardian of Laura B. Lloyd, a minor (SEAL)

(SEAL) A. B. Smith Drilling Co. By A. B. Smith, Pres. Attest: D. C. Morrison, Secretary ) SEAL ( (CORPORATE SEAL)

C"ester A. Cooper, P. O. Muskogee, Ind. Ter.

George C. Butte, P. O. Muskogee, I. T. Chester A. Cooper, P. O. Muskogee, Ind. Ter.