

The party of the second part shall have four months from this date to complete a well upon said ground, with the privilege of having an extension of sixty (60) days longer by paying therefor the sum of fifty dollars (\$50.00) and if no well is completed at the end of six months this contract to be void. The party of the second part pays to the parties of the first part at this time One Hundred dollars (\$100.00) as an additional consideration for making this grant and the option hereinafter mentioned; and it is agreed between the parties that if a well is put down by the expiration of four (4) months from this date and oil is produced therefrom, in that event the one hundred dollars (\$100.00) now paid to Wills and Kornegay shall be retained by the party of the second part out of the royalty called for in this contract, and it is expressly understood that the said One Hundred dollars (\$100.00) shall not be repaid unless the well is completed within four (4) months from this date, and it is further agreed that the Fifty dollars (\$50.00) for additional time shall not be repaid.

It is further agreed that the party of the second part will pay to the parties of the first part one sixth ( $1/6$ ) in value of all the oil produced and saved from the land during the life of this contract.

It is further understood and agreed that in the event gas is produced from the premises and marketed, that then one sixth ( $1/6$ th) of the price at which the gas is sold at the mouth of the well shall be paid to the parties of the first part as royalty on each gas-producing well.

It is further agreed that in the event by the expiration of six months from this date a well is not completed on the forty (40) acres, or fraction thereof, that all rights of the party of the second part to hold the ground or to prospect it or to extract oil or gas therefrom shall end and that he shall not be held liable on his covenant to drill a well on said land.

It is further agreed between the parties hereto that development shall proceed on land with despatch, subject to the rights to abandon as above set forth.

It is further agreed between the parties that in the event that the party of the second part shall notify the parties of the first part in writing and at the place of business in the office of W.H. Kornegay, Vinita, Oklahoma, of a willingness and readiness to enter into a lease upon Lot No Six (6) in Sec 6, Twp. 20 N. R. 13 E. east owned by them for a one fourth ( $1/4$ th) royalty of the oil and gas and for immediate development by the expiration of six (6) months from this date, that they will grant to him an oil and gas lease thereon.

It is further agreed that the right to extract this oil and gas shall continue subject to the above terms and conditions, as long as oil or gas may be found in the land in paying quantities.

It is further agreed between the parties that in any event lines of the ground embraced in this contract shall be protected.

It is further agreed that in the event oil shall go below thirty five (35) cents per barrel, of the kind that may be found in this land, development may stop, except insofar as it is necessary to protect the lines, until oil of the kind that may be found shall reach thirty five (35) cents as per the advertised quotation and settlements made on daily balance by the Pipe Line Companies or Pipe Line Company running the oil from the herein described premises.

It is further agreed that all abandoned wells shall be securely plugged as provided by the laws of Oklahoma, and in the case of abandonment and all machinery and buildings placed or built upon the ground may be removed, together with all casing tubing,