

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 ~~for~~ 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.

And the party of the second part further agrees and bind itself and its heirs, successors, and assigns, to pay or cause to be paid to the said agent, for lessor, as advance annual royalty on this lease, the sums of money as follows, to-wit: Fifteen cents per acre per annum, in advance, for the first and second years; thirty cents per acre per annum, in advance for the third and fourth years, and Seventy-five cents per acre per annum, in advance, for the fifth and each succeeding year thereafter of the term for which this lease is to run; it being understood and agreed that said sums of money so paid shall be a credit on the stipulated royalties; and further, that should the party of the second part neglect or refuse to pay such advance annual royalty for the period of sixty days after the same becomes due and payable, the Secretary of the Interior, after ten days' notice to the parties may declare this lease null and void, and all royalties paid in advance shall become the money and property of the lessor.

The party 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 party 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, 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.

The party of the second part further agrees to carry on operations in a workmanlike manner to the fullest possible extent, unavoidable casualties excepted; to commit no waste on the said land and to suffer no waste to be committed upon the portion in its occupancy or use; to take good care of the same, and to promptly surrender and return the premises upon the termination of this lease to the party of the first part or to whomsoever shall be lawfully entitled thereto, and not to remove therefrom any buildings or permanent improvements erected thereon during the said term by the said party of the second part, but said buildings and improvements shall remain a part of said land and become the property of the owner of the land as a part of the consideration for this lease, in addition to the other considerations herein specified, excepting the tools, boilers, boiler houses, pipe lines, pumping and drilling outfits, tanks, engines and machinery, and the casing of all dry or exhausted wells, shall remain the property of the said party of the second part, and may be removed at any time before the expiration of sixty days from the termination of the lease; that it will not permit any nuisance to be maintained on the premises under its control, nor allow any intoxicating liquors to be sold or given away for any purposes on such premises, that it will not use such premises for any other purposes than those authorized in this lease, and that