

OIL AND GAS LEASE.

THIS AGREEMENT, made this 27 day of May A.D. 1910 by and between Joseph Pregler of the first part and The producers Oil Company, of the second part;

WITNESSETH, That the said party of the first part, for Two hundred seventy five dollars, and other good and valuable considerations, the receipt of which is hereby acknowledged, and in further consideration of the covenants and agreements hereinafter mentioned does grants, demises, leases and lets unto the party of the second part their heirs, and assigns all the oil and gas in and under that certain tract of land for the purpose and with the exclusive right of drilling and operating for oil and gas which said tract of land is situated in the county of Tulsa, State of Oklahoma and described as follows, to-wit:

W 1/2 of SE 1/4 and W 1/2 of NE 1/4 of SE 1/4 of sec 3, Tp. 16 N. R. 13 East containing 100 acres more or less. But no wells shall be drilled within 150 Hundred feet of the present buildings except by mutual consent.

The party of the first part grants the further privilege to the party of the second part, their heirs and assigns of using sufficient water, oil and gas from the premises necessary to the operation thereon, and all rights and privileges necessary or convenient for conducting said operations and the transportation of oil and gas, and the right to remove at any time any machinery or fixtures placed on the premises by said lessees.

To have and to hold the same unto the said party of the second part their heirs and assigns for, the term of 10 years from the date hereof, and as long thereafter as oil or gas is being produced therefrom by said lessees.

In consideration whereof, the said party of the second part agrees to deliver to party of the first part in tanks or pipe lines the one eighth part of all oil produced and saved from the leased premises. And should gas be found on said premises in paying quantities second party agrees to pay One Hundred fifty dollars yearly, in advance for the product of each gas well, while the same is being sold off the premises, and first party shall have the free use of gas for domestic purposes by making her own connections for such gas at his own risk and expense.

Second party agrees to locate all wells so as to interfere as little as possible with the cultivated portions of the premises and to pay for all damage to growing crops caused by said operations.

It is agreed that, if a well is not commenced on said premises within one year from the date hereof, then this lease and agreement shall be null and void, unless the party of the second part, each and every year in advance after the expiration of the time above mentioned for the commencement of a well, shall pay a rental of 1 dollar per acre until a well is commenced thereon, or until this lease is cancelled, as hereinafter provided. And it is agreed that the completion of a well shall be and operate as a full liquidation of all rental under this provision during the remainder of this lease. All rentals and other payments may be made direct to the part-- of the first part or may be deposited to his credit at Bank of Mounds, Okla. And further upon the payment of one dollar at any time after 5 years by the party of the second part their heirs and assigns, to the party of the first part his heirs and assigns, said lessee shall have the right to surrender this lease for cancellation after which all payments and liabilities thereafter to accrue under and by virtue of its terms shall cease and determine and this lease become absolutely null and void.

All conditions between the parties hereto shall extend and apply to their heirs, executors, administrators and assigns.