

93199 Indian Office----Incl No. 3, 1905.

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COMPARED

Transfereale only with consent of the secretary of the Interior.

OIL AND GAS MINING LEASE UPON LAND SELECTED FOR ALLOTMENT ~~CHEROKEE~~ NATION,
INDIAN TERRITORY. (Sec 72 act of July 1, 1902, 32 Stat 716-726)

THIS INDENTURE OF LEASE, made and entered into, in quadruplicate on this 24th day of July A.D. 1905, by and between Jack Balew, of Choteau, Indian Territory, party of the first part, and The Southwestern Oil, Gas and Coal Company, a corporation organized and existing under the laws of the United States and of the state of Arkansas, as are now in force in the Indian Territory, of Oologah, Indian Territory, party of the second part, under and in pursuance of the provisions of section 72 of the act of Congress approved July 1, 1902 and the regulations prescribed by the Secretary of the Interior thereunder.

Witnesseth, that the party of the first part, for and in consideration of the royalties, covenants stipulations and conditions hereinafter contained and hereby agreed to be paid, observed and performed, by the party of the second part its successors and assigns does hereby demise grant, and let unto the party of the second part, its successors and assigns for the term of fifteen (15) years from the date hereof, all of the oil deposits and natural gas in or under the following described tract of land, lying and being within the Cherokee Indian Nation and within the Indian Territory, to-wit: The All of lot four (4) of section four (4) Township twenty two (22) North, range Thirteen (13) East of the Indian Meridian, and containing forty and one one hundredths (40.01) acres more or less, with the right to prospect for, extract, pipe, store, refine and remove such oil and natural gas, and to occupy and use so much only of the surface of said land as may be reasonably necessary to carry on the work of prospecting for, extracting, piping, storing, refining, and removing such oil and natural gas, including also the right to obtain from wells or other sources on said land, by means of pipe lines or otherwise a sufficient supply of water to carry on said operations, and including still further the right to use such oil and natural gas as fuel so far as it is necessary to the prosecution of said operations.

In consideration of which the party of the second part hereby agrees and binds itself, its successors and assigns, to pay or cause to be paid as to the lessor, as royalty the sum of ten per cent of the value, on the leased premises of all crude oil extracted from the said land, and if the parties do not before the tenth day of the month, succeeding its extraction agree upon the value of the crude oil on the leased premises, the value thereof shall finally be determined under the direction of the Secretary of the Interior in such manner as he shall prescribe, and to so pay the royalty accruing for any month on or before the twenty fifth day of the month succeeding, and where the value of the crude oil fluctuates, the average value during the month shall constitute the criteria in computing the royalty, and to pay in yearly payments, at the end of each year, one hundred and fifty dollars royalty on each gas producing well, the lessor to have free the use of gas for lighting and warming his residence on the premises. But failure on the part of the lessee to use a gas producing well, where the same can not be reasonably utilized shall at the rate so prescribed, shall not work a forfeiture of this lease so far as the same relates to mining oil, but if the lessee desires to retain gas producing privileges it shall pay a royalty of fifty dollars per annum on each gas producing well not utilized, the first payment to become due