

and that no other encumbrances, lien or charge shall be incurred or created except expressly subject hereto. And said first party further represents and warrants that said lease is in full force and effect, that all its terms and conditions have been fully complied with and all reports required by the Department have been made, and nothing has been done or failed to be done whereby said lease may be cancelled, annulled, questioned or forfeited. Said Letcher-Reymond Oil Company further represents that it has made and filed the reports required and paid all taxes, levies and assessments made by the State of Oklahoma and the Federal Government, and that there is now lien or liability of any kind or nature against the said corporation, its franchise or property that affects or that can be levied upon any or all of the property herein described.

6th. Now if each and all of the foregoing representations and warranties are true and fulfilled and all covenants kept, and said notes hereby secured are paid when due and as herein provided, for, then and in that event this instrument shall become void and be cancelled and released. Or if default is made in any payment or if any representation, warranty, covenant or stipulation herein contained shall be breached or violated in any manner or particular whatsoever, or if said one-half of the oil, less the royalty, produced from said premises, does not amount to at least \$800.00 per month at the prevailing posted prices for said product, then and in that event no matter when occurring, said entire indebtedness may, at the option of the holder of said notes, be declared at once due and payable for all purposes. And in such event said Southern Trust Company, or other holder of said notes, shall thereupon at once have a lien, not only upon one half as herein provided, but upon the entire production of oil from said land, and said Southern Trust Company, or other holder of said notes, may, and is hereby expressly and irrevocably authorized to place its representative in charge of and operate said lease in the name of the Letcher-Reymond Oil Company, signing the said corporate name when necessary for any purpose when desirable or necessary, or if a receiver is sought the undersigned will and does hereby consent to the appointment, and in any event possession of said land and the leasehold and all property and improvements will be surrendered peaceably, and said second party, its successors, assigns, and representatives are hereby and expressly authorized and empowered to take possession thereof, and if a Departmental assignment or any other papers, statements or stipulations are necessary, the same will be promptly executed and delivered by said first party, or by authority hereof, and without further authority the President or Vice President of said Southern Trust Company may execute the same for and on behalf of the undersigned, Letcher-Reymond Oil Company and acknowledge the same as its act and deed, and is hereby expressly and irrevocably authorized and empowered so to do-----.

All to the end that the income, profits, rents, revenues and property hereby mortgaged may be subjected and applied to the payment of the indebtedness evidenced by the two notes first described, and that in case of default, this mortgage may be foreclosed according to law.

7th. And the said Letcher-Reymond Oil Company does hereby expressly agree that if said second party its successors and assigns desires to have this agreement approved by the Department of the Interior that it, said Letcher-Reymond Oil Company, will execute, enter into, acknowledge, make and deliver any and all statements, stipulations, papers, and agreements required by said department unto said second party, its successors, assigns or representatives, and does hereby expressly agree to and accept all rules and regulations of the Department of the Interior necessary for the approval hereof.