

2-8-56

Quadruplicate 1177 10553 6/27 COMPARED (LLL)

Form A. Creek.

LEASE

TRANSFERABLE ONLY WITH CONSENT OF THE SECRETARY OF THE INTERIOR

OIL AND GAS MINING LEASE UPON LAND SELECTED FOR ALLOTMENT, CREEK NATION, INDIAN TERRITORY.

(Sec. 17 Act of June 30, 1902 32 Stat 500)

THIS INDENTURE OF LEASE, made and entered into in quadruplicate on the 24<sup>th</sup> day of December A.D. 1906, by and between Jennetta Perryman of Muskogee, I.T. party of the first part, lessor, and Standard Oil and Gas Company of Oklahoma, of Bartlesville, I.T. party of the second part, lessee, under and in pursuance of the provisions of Section 17 of the act of Congress approved June 30, 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 heirs, successors, and assigns, does hereby demise, grant, and let unto the party of the second part, its heirs, successors, and assigns, for the term of fifteen 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 Creek Indian Nation and within the Indian Territory, to-wit: The SE/4 of the SE/4 of section 16, township 19, range 12, of the Indian Meridian, and containing 40 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 heirs, successors, and assigns, to pay or cause to be paid to the United States Indian Agent, Union Agency, Indian Territory, for the lessor, as royalty, the sum of ten per cent of the gross proceeds on the leased premises, of all crude oil extracted from the said land, such payment to be made at the time of sale or disposition of the oil; and the lessee-- shall pay, in yearly payments at the end of each year, one hundred and fifty dollars royalty on each gas producing well which it shall use. The lessor-- shall have the free use of gas for lighting and warming his residence on the premises. It is further agreed that a failure on the part of the lessee to use a gas producing well where the same can not be reasonably utilized at the rate so prescribed shall not work a forfeiture of this lease so far as the same related to mining oil, but if the lessee desires to retain gas-producing privileges it shall pay a royalty of fifty dollars per annum, in advance, 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 binds itself, its heirs, successors, and assigns, to pay, or cause to be paid to the said agent, for lessor, as advanced 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