

In consideration of the premises, party of the second part hereby agrees and binds itself, its successors or assigns, to pay or cause to be paid, to the party of the first part as royalty, the following sums of money, to-wit: on the production of coal mined on this lease, the sum of eight (8) cents per ton of 2,000 pounds for mine run coal; that is, coal as it is taken from the mines. Party of the second part agrees to pay 10¢ per perch for all stone removed from said leased premises, and -----cents per ton of 2,000 ⁰pounds for all fire clay removed and sold from said leased premises.

And the party of the second part further agrees and binds itself, its successors or assigns to pay or cause to be paid to the lessor herein, as annual advanced royalty on this lease, the sums of money as follows, to-wit: Five Hundred Dollars per year, payable in advance. Receipt of the first year's annual advance royalty is hereby acknowledged. It being understood and agreed that said sums of money so paid, shall be a credit on the stipulated royalties, should the same exceed the sums paid as advanced royalty; and further, should the party of the second part neglect or refuse to pay such advanced annual royalty for a period of sixty (60) days after the same becomes due and payable, such failure or refusal shall work a forfeiture and after ten days written notice to the party of the second part, its successors or assigns, the lessor may declare this lease forfeited and all royalties that have been paid in advance shall become the money and property of the lessor. All royalties accruing for any month shall be due and payable on or before the 25th day of the month succeeding; and in case of failure to pay the royalties after the forfeiture of the lease the party of the first part is to have a lien on all improvements placed upon said lease by lessee.

The party of the first part further covenants and agreed to exercise diligence in the conducting of prospecting and mining operations; and where practicable to open mines and operate the same in a workmanlike manner, in so far as may be profitable, on the leased premises, but permission is hereby granted to the said second party and to its successors and assigns, where in its judgment it is better to procure the coal lying under the lands herein demised, by means of shafts or slopes, driven or sunk on lands other than those herein leased; to commit no waste upon these premises or upon mines that may be thereon, and to suffer no waste to be committed thereon; to take good care of the same and to surrender the premises at the expiration of this lease to the party of the first part, or to whomsoever shall be lawfully entitled thereto, in as good condition as when received, ordinary wear and tear in the proper use of the same for the purposes hereinbefore indicated, and unavoidable accident excepted.

It is further agreed that all buildings, miner's houses, shops, stables, tipples and all engines, pulleys, fans, tools, ropes, pumps, piping, and appurtenances shall not become a part of the real property, but shall be considered personal property and shall remain the property of the party of the second part at the expiration of this lease, and may be removed by said party of the second part upon payment of all royalty due party of the first part.

It being understood that the party of the second part will not remove any timbers from any mine or mines upon said premises that will injure said mines.

Party of the second part further covenants and agrees that it will allow the lessor or his agents, from time to time, to enter upon the premises for the purpose of inspection and agree to keep an accurate account of all mining operations, showing the whole amount of mineral mined or removed and to allow the party of