

part Witnesseth: That the party of the first part, for and in consideration of the sum of One Dollar, to me in hand paid by the said party of the second part, the receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the said party of the second part to be kept and performed, do hereby lease and let unto the party of the second part the exclusive right for ten years from date hereof to enter upon, operate for and procure oil and gas upon the following premises, situated in Creek Nation, Indian Territory, to-wit:

The South Half of the North West Quarter and the North West quarter of the North West and the South West seven acres of the North east quarter of the North West quarter of Section Two Township Eighteen Range 12 East.

The party of the second part agrees to deliver to the part-- of the first part one tenth of the oil realized from these premises, in tanks at the wells without cost, or pay the market price therefor in cash at the option of the first party. If oil or gas be found on these premises by the said party of the second part, all rights, benefits, and obligations secured hereby, shall continue so long as either is produced in paying quantities by said party of the second part.

If gas is found in any well or wells in sufficient quantity, in the judgment of the party of the second part, or its assigns, for commercial purposes and in quantity sufficient to justify the expense of marketing same, said first part-- to have on demand sufficient gas from such well or wells for domestic purposes on said premises and said second party is to have the remainder thereof. If, however, the said second party shall sell or market gas from any well producing gas only, it shall pay said first party or assigns, therefor Fifty dollars per year for and during the time such gas shall be sold or marketed, said payment to be made on each well within sixty days after commencing to market the gas therefrom and annually thereafter. The said second party agrees to locate all wells so as to interfere as little as possible with the cultivated portions of the premises, and pay all damages to crops by reason of its operations.

The second party shall have the privilege of using sufficient water from the premises, and if necessary to drill therefor, to run all necessary machinery, and shall also have the right at any time to remove all machinery and fixtures placed on said premises.

In case no well be drilled for oil or gas on said premises within one year of date hereof, all rights and obligations secured under this contract shall cease upon notice in writing by said first part-- unless the second party shall elect from year to year to continue this lease in force as to all or any portion of said premises by paying in advance an annual rental of Twenty cents per acre for said premises or such portion thereof as it may designate, until a well is drilled on said premises. Said rental to be paid by deposits to credit of first part-- in The Bank of Muskogee, Bank, at Muskogee, Indian Territory.

The second party shall have the right to erect, lay, maintain and remove all pipe lines machinery and structures necessary for the production, preservation and transportation of oil and gas produced on said premises.

The second party shall have the right to discharge any incumbrance on said premises, and shall have a lien thereon for the amount so paid, together with all costs and expenses incurred.

Said lessee shall have the right to surrender this lease at any time and such surrender shall operate as a cancellation of this lease and extinguishment of all rights hereunder of both lessee and lessor.