

used for the proper development of said land for oil and gas mining purposes.

It is agreed on by and between the parties hereto as follows:

First. In case no well for oil or gas is commenced to be drilled on said above described premises within one year of date hereof, all rights and obligations secured under this grant shall cease and determine, unless the second party shall elect to continue this grant in force as to all of said premises by paying an annual rental of One (\$1.00) dollars per acre, payable yearly in advance, for all of said premises for each year until said well is commenced, but these continuances may not exceed five (5) years from this date, and if by such time party of the second part shall not have commenced a well all his right hereunder shall cease.

Second. It is expressly declared that if oil or gas be found in paying quantities, then the party of the second part shall become at once vested with an estate in and to said minerals, with right to produce the same as long as either of said minerals shall be produced in paying quantities.

Third. Should oil be found upon said premises in paying quantities, the party of the second part hereby agrees to and shall pay to the party of the first part, out of the proceeds of all oil produced and saved from said premises, the one-eighth (1/8) part of said proceeds as royalty, but is under no obligation to find a purchaser for such oil,

Fourth. Should gas be found in paying quantities in any well, the consideration in full for said first part, shall be at the annual rate of One hundred Fifty, (\$150.00) Dollars, payable quarterly in advance for the gas from each well while said gas is being piped and used off said premises, together with the privilege of said party to pipe and use gas from said well or wells to heat and light one dwelling house on said premises so long as party of the second part continues to pipe and use said gas from said well, said party making his own connections, but said second part does not guarantee against a deficient supply of gas for said dwelling by pumping said well or wells, or otherwise, nor shall it be liable for any injury or injuries to the person or property of said first party arising out of the use of said gas.

Fifth. Said second party shall have the privilege of excavating, drilling or boring for water, and of using sufficient water, wood, gas or oil from the premises hereing granted to run all machinery for the prosecution of said business on this and adjoining premises operated jointly as one property.

Sixth. Second party shall have free pipeline right of way over the above described land, and any other property owned and controlled by the party of the first part, together with the right of ingress and egress for the purpose of laying, maintaining, operating and removing said pipeline and appliances used in connection therewith but second party shall bury when requested to do so by party of the first part, all oil and water lines used to conduct oil gas or water over said premises.

Seventh. The second party shall have free use of the land herein conveyed for the purposes of erecting and maintaining such tankage as may be necessary for the caring for of oil produced by said second party.

Eighth. All rents and royalties due or to become due under the terms of this instrument may be paid to the party of the first part in person, or by check of second party deposited in the United States mail for transmission to party of the first part at the postoffice address of Tulsa, Oklahoma, date of so depositing in mail shall be taken as true date of payment, and payment so made shall be binding; notwithstanding party of the first part shall have sold, transferred or otherwise conveyed or disposed of said premises or his right to such rentals or royalties, in whole or in part, until