

*Term*

water from the said premises with which to operate all the machinery used by grantee in carrying on his drilling and pumping operations on the said premises.

6. All pipe lines across lands used for agricultural purposes shall, if demanded by the grantor, be laid below reach of plow.

7. The Grantee shall not drill any well two hundred feet of any building now on the said premises without the consent of the Grantor.

8. The execution and delivery of this indenture shall constitute a cancellation of any and all prior oil and gas mining grants or leases of the premises.

9. All payments accruing under this grant may be made in cash direct to the Grantor, or either of them, or by check mailed to them or either of them, or such payment may be made by depositing the same in the Farmer's & Merchant's Bank of Coweta, Oklahoma, to the credit of and subject to the order of the Grantor or either of them. And any and all successors to the title of the Grantor shall hereby take notice that payments hereunder shall continue to be made to the Grantor in manner aforesaid, until the Grantee is served with a written request from the Grantor to make payments to other parties, and that all payments so made to the Grantor shall be binding upon his successors in title until such written request is served upon the Grantee.

10. The Grantee shall have the right at any time either before or for one year after any termination or abandonment of this grant to remove any and all buildings fixtures, appliances, machinery, equipment and personal property placed by him on the said premises.

11. If the Grantor shall during the life of this grant fail to pay any taxes or other lien or incumbrance upon or against the said premises, the Grantee shall have the right to pay the same, and deduct the amount thereof from any payments due or to become due the Grantor hereunder. The Grantor hereby releases and waives the benefit of all rights under and by virtue of the homestead exemption laws of the State of Oklahoma.

12. It is expressly declared by the Grantor that this is not a license, option or lease of the above described premises, but a conveyance of the oil and gas thereunder upon the terms above recited, and that for the consideration first above named he hereby gives to the Grantee the express right to continue this conveyance in full force and effect, from quarter to quarter after the time above named for the commencing of operations thereon, by the payment of the Three Hundred Dollars per annum, payable in advance as above provided for; but this right shall not be exercised by the Grantee after five years from the date hereof, if within that time oil or gas is not found on the said premises in paying quantities, but, if so found, this instrument and grant shall continue in full force and effect so long as oil or gas is produced from the said premises in paying quantities.

13. When the Grantee shall have once drilled upon the said premises, the extent of future operations thereon shall be such only as the Grantee in his business judgment deems best. But whenever a well producing oil or gas or either of them in such quantities as to make it a paying investment, is drilled in on adjoining property and within three hundred feet of the line of the above premises, the Grantee shall, within thirty days after its completion, commence a well to offset the same or such offset being a producing gas well, the Grantee may pay a sum equal to the royalties as herein provided for gas wells, and not be required to drill said offset well, or forfeit the undrilled portion of the premises, save only twenty acres in square form about each