State of Texas () to Mobil Oil Corp.
OIL AND GAS LEASE

 \bigcirc

3973

orm 14

(Chap. 282, 41st Leg., R.S. 1929; Chap. 174, 42d Leg., R.S. 1931; Chap. 148, 45th Leg., R.S. 1937; Chap. 179, 54th Leg., R.S. 1955; and Chaps. 94 and 245, 55th Leg., R.S. 1957)

61470

This lesse, made and entered into in duplicate on this 5th day of October A.D. 1967, by and between the	lease, made and entered into in dualicate on this	5th day of	October	. A.D. 19.5.7 b	v and between the	State
---	---	------------	---------	-----------------	-------------------	-------

of Texas, acting by and through JERRY SADLER, the Commissioner of the General Land Office, designated as Lessor, under authority and by virtue of the provisions of Chapter 282 of the General Laws of the State of Texas, passed by the Forty-first Legislature at its Regular Session, as amended, codified as Article 2603a, Vernan's Civil Statutes, and in pursuance of the award made by the Board for Lense of

University Lands on the	5th	day of October	, A.D., 15	9 67, to	 ***********
MOB	IL OIL	CORPORATION			

of P. O. Box 633, Midland, Texas, designated as Lessee,

WITNESSETH:

1. The Lessor, in consideration of the payment by Lessee of the sum of \$ 51,000.00 , the receipt whereof is acknowledged, and of the royalities, covenants, stipulations, and conditions contained, and hereby agreed to be paid, observed, and performed by the Lessoc, does hereby demise, grant, lesse, and ler unto the Lessee the land described below, for five years from the date hereof, said peritade being the primary term of the lesse, and as long thereafter as oil or gas is produced in paying quantities thereunder, subject to such conditions as are bereinafter set out, for the sole and only purpose of prospecting and drilling for, and producing oil and/or gas that may be found and produced from said lands, comprising a part of the Permanent University Fund, to wit:

Tract 44

Part	Section	Block	Grantee	Acres	County
N/2	16	18	University	320.350	Ward

- 2. If at the expiration of the primary term oil or gas in paying quantities shall not have been produced from the premises, this lease shall terminate; provided, however, the term or life of this lease may be extended under one or more of the following conditions:
- (a) In the event production of oil or gas on the leased premises, after once obtained, shall cease for any cause within sixy (601 days before the expiration of the primary term of this lease or at any times or times thereafter, this lease shall not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days after such essention, and this lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner, without interruptions totaling more than sixty (60) days during any one such operation; and if such drilling or reworking operations result in the production of oil or gas the lease shall remain in full force and effect so long as oil or gas is produced in paying quantities or payment of shut-in gas well royalties or compensatory toyalties is made as hereinafter provided.
- (b) If at the expiration of the primary term or at any time thereafter, there is located on the leased premises a well or wells capable of producing gas in paying quantities and such gas is not produced for lack of a suitable market and this lease is not being otherwise maintained in force and effect, the Lessee may pay as rayally Twelve Hundred Dollars (\$1,200) per annum for each well on this lease capable of producing gas in paying quantities, such payment to be made to the Commissioner of the General Land Office at Austin, Texas, prior to the expiration of the primary term of the lease, or if the primary term has expired, within sixty (60) days after the Lessee causes to produce gas from such well or wells; and if such payment is made, this lease shall be considered to be a producing lease and such shut-in gas well royally payment shall extend the term of this lease for a period of one (1) year from the end of the primary term or from the first day of the month next succeeding the month in which production ceased; and thereafter it no suitable market for such gas exists, the Lessee may extend this lease for two (2) additional and successive periods of one (1) year each by the payment of a like sum of money each year on or before the expiration of the extended term. Provided, however, that if, while this less is being maintained to force and effect by payment of such studies gas well royalty, gas should be sold and delivered in paying quantities from a well situated within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir or in any case where drainage is occurring, the right to further extend this lease by such shut-in gas well royalty payments shall cease, but this lease shall remain in force and effect for the remainder of the current one (1) year period for which the shut-in gas well royalty has been paid, and for an additional period not to exceed a combined total of three (3) years from the expiration of the primary term or from the first day of the month in w
- (c) If, at the expiration of the primary term, production of oil and/or gas has not been obtained in paying quantities on the leased premises hut drilling operations are being conducted thereon in good latik and in good and workmanlike manner, the Lessee may, on or before the expiration of the primary term, file in the General Land Office, written application to the Commissioner for a thirty (30) day extension of this lease, such application to be accompanied by a payment of Seven and SO/103 Dollars (87.50) per acre for each acre in the lease, and the Commissioner shall in writing extend this lease for a thirty (30) day period from and after the expiration of the primary term and so long thereafter as oil or gas is produced in paying quantities from the premises; provided, that the Lessee may, so long as such drilling operations are being conducted in good faith, make like application and payment during any thirty (30) day extended period for additional extension of thirty (30) days not to exceed a combined total of one hundred eighty (180) days; provided, however, Lessee may, so long as such drilling operations are being conducted in good faith, make written application to the Commissioner, on or before the expiration of the initial extended period of one hundred eighty (180) days for an additional extension of one hundred eighty (180) days, such application to be accompanied by a payment of Fifry Dollars (\$50.00) per acre for each acre in the lesse, and the Commissioner shall, in writing, extend this lesse for an additional end undred eighty (180) day before and after the expiration of the initial extended period of one hundred eighty (190) days, such application to the factor of gas is produced in paying quantities from the premises: provided, further, that this lesse shall not be extended for more than a total of three hundred sixty (360) days from and after the expiration of the primary term unless production in paying quantities has been obtained.

₹ 7 38819





- 3. Lessee agrees to pay or cause to be paid during the term hereof:

- - (1) On the basis of 50% of the value of the liquid hydrocarbon content of the gas as determined at the wellhead by the split-stream method of testing or the most approved method of testing being used by the industry at the time of testing, or
 - (2) That per cent of the value of liquid hydrocarbon content of the gas which accrues to the Lessee, or
 - (3) 50% of the value of liquid hydrocarbuns actually recovered, or
 - (4) That per cent of the value of the liquid hydrocarbons actually recovered which accrues to the Lessee;

whichever is the greatest.

- - (1) On the basis of the average sale price of the product, F.O.B. at the plant for the same month in which the production is secured, or
 - (2) On the basis of the average price received by the seller for any of the by-products at the point of delivery, or
 - (3) On the basis of the average of prices quoted in one or more of the leading periodicals of the industry for similar grades of said products in the territory;

whichever is the greatest.

- (e) No royalty shall be payable on gas used by Lescee for operations on the leased premises. No royalty shall be payable on any gas as may represent Lesarch preparationate share of any find used in compressing such gas or as fuel in any processing plant or other facility. Subject to the consent in writing of the Chairman of the Board for Lesse of University Lends, Lessee may laject gas into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed, and no royalities shall be payable on the gas so injected until such time as the same may thereaftee be produced and sold or used by Lessee in such manner as to entitle Lessor to a royalty thereon under the royalty provisions of this lesse.
- (f) Lessee agrees to use reasonable diligence to prevent the underground or above ground waste of oil or gas and, to avoid the physical waste of gas produced from the leased premises, Lessee shall either market said gas or use same heneficially in operations on the leased premises. Commencing six months from the date of injital production hereunder, if waste of gas occurs by blowing, flaring, release, venting, escape or otherwise, Lessee shall pay Lessor a royalty of 1.000 ft. of the market value thereof, or in the event that there may not be a market for such gas, the royalty shall be based on the market value of gas of a comparable quality in the closest vicinity where there is a market for such gas, but in no event shall such value to less than 1.14... e per M.C.F.
- 4. One year from the date of this lease, and on the same date of each of the following years during the life of this lease, the Lessee shall pay to the Commissioner of the Ceneral Land Office, Auxin, Texas, an annual rental of \$1.1.400... per acre, payable each year in advance, unless the royalities paid to and ecceived in the Ceneral Land Office from this lease during the preceding year shall equal or exceed the amount of the annual cental payment; in which latter event, no annual rental will be due on the rental date immediately following such royalty payments.
- 5. All royalties shall be paid to the Commissioner of the General Land Office at Austin, Texas, during the life of this lease, on or before the 20th day of each succeeding month, for the month in which the oil and/or gas was produced, and shall be accompanied by a sworm statement of the owner, manager, or other authorized agent, showing the gross amount of oil produced since the last report, and the amount of all dry gas, residue gas, casinghead gas, and other produced therefrom, sold, or used for the manufacture of gasoline, and the market value of the oil, dry gas, residue gas, casinghead gas, and other produced therefrom, together with a copy of all daily gauges of tanks, meter readings, pipe-line receipts, gas-line receipts, and other checks and memoranda of the amounts produced and put into pipe lines, tanks, or pools, and gas lines or gas storage. In all cases the authority of a manager or agent to act for the Lessee herein must be filled at the General Land Office for the Board for Lease of University Lands.
- 6. The books and accounts, receipts, and discharges of all wells, tanks, pools, meters, pipe lines, and all contracts and other records pertaining to the production, transportation, sale, and marketing of the oil and gas produced on said premises shalf at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, any member of the Board of Regents of The University of Texas, or the representative of any of them.
- 7. Notwithstanding any provision of this lease to the contrary, after a well producing, or capable of producing, oil or gas has been completed on the leased premises, Lessee shall exercise the diffigence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production therefrom.
- 8. The Lessee shall adequately protect the oil and gas under the above-described land from drainage from adjacent lands or lesses, including non-University lands or University lands lessed at a lesser royalty. The Lessee shall drill as many wells as the facts justify, and to the depth or depths necessary for effective protection against drainage from such adjacent lands or lesses. Neither the bonus, annual rentals, nor royalties paid or to be paid hereunder shall relieve Lessee from the obligations herein expressed.
- 9. If this lease shall be forfelted or terminated for any cause, the Lessee shall not, in any event, be permitted to remove the casing or any part of the equipment from any producing, dry, or abandoned well or wells without the written consent of the Board for Lesse of University Lands or its authorized representative; nor shall Lessee, without the written consent of said Board or its authorized representative, remove from the lessed premises the casing or any other equipment, material, machinery, appliances or property owned by the Lessee and used by the Lessee in the

development and production of oil or gas therefrom, until all dry or abandoned wells have been plugged to the satisfaction of the Railroad Cammission of Texas and until all slush or refuse pits bave been properly filled and all brokes or discarded lumber, machinery, or debris shall have been removed from the premises to the satisfaction of said Board or its authorized representative.

- 10. Whenever the Lessee commences the drilling of any well or wells upon the above-described premises, written notice thereof shall be filed at the General Land Office for the Based for Lesse of University Lands, accompanied by a plat of said premises showing the location of such well or wells. Lessee shall file at the General Land Office for the Board for Lesse of University Lands, the logs of all wells drilled upon the above-described premises, within thirty (30) days after completion in the case of producing wells, and within thirty (30) days after abandonment in
- (a) Lessee shall file at the field office of The University of Teans at Midland, Teans, or such other office as the Board for Lease may designate in writing to the Lessee, carbon copies of all forms and other information filed with the Texas Railroad Commission which pertain to operations of this lease within five (5) days after said filing with the Commission.
- (b) Lesses shall have an electric or radioactivity survey made of the bare-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above-described premises and shall transmit a true copy of the log of each survey to the field office of The University of Texes at Midland, Texas, or such other office as Board for Lesse may designate in writing to the Lessee, within filtern (15) days after the making of said survey. If the above-described premises are located in Loving, Ward or Winkler Counties, the Lessee shall have a radioactivity survey made of the bore-hole section from the base of the surface pipe to the total depth of the well of the first well drilled in the above-described premises, and on such other wells on the same premise, as the Lessor shall direct, and shall transmit a true copy of the log of such survey to the office herein-before in this section designated within fifteen (15) days after making of such survey.
- (c) The Lessee hereia agrees, insolar as possible, to supply said Board with any records, memorands, accounts, reports, cuttings and cores, their information relative to the operation of the above-described premises, that such Board may request, in addition to those herein expressly
- 11. In drilling wells all water-bearing strets shall be noted by Lessee in the log and the Lessor reserves the right to require that all or any part of the casing shall be left in any nonproductive well when Lessor deems it necessary to preserve or maintain said well or wells for water. For such casing left in wells, the Lessor shall pay to the Lessee the reasonably estimated salvage value thereof.
- 12. (a) Lessee shall have the right to use as much of the surface of the land as shall be reasonably necessary for the full exercise and enjoymen 1.4. (a) Lessee shall have the right to use as much of the seriace of the land as shall be reasonably necessary for the full exercise and enjoyment of the oil and gas rights and interests bereby granted in said land, including the right to use free of cost water found and produced or impounded by Lessee on said land for its own operations thereon, except water from wells or tanks of Lessor or its surface lessees; also the right to lay and maintain gathering lines, erect and maintain telephone and telegraph lines on this lesse, pull rods, and other appliances and suippment necessary for the operation of wells thereon; also the right of ingress and the rights of wy to any point of operations under conditions of least injury and inconvenience to the occupant of the surface. All easements not pertaining solely to this lease may be issued by the Board of Regents of The University of Terms. injury and inconvenienc The University of Texas.
- (b) Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage, or injury; and upon completion or abandonment of any well or wells Lessee shall fill and level off all slush pits and cellers and completely clean up the drilling site of all rubbish thereon. Lessee also abail erect, at a distance not to exceed twenty-five (25) feet from each well on the premises covered by this lesse, a legible sign on which shall be stated the name of operator, the lesse designation and the well number. Where two or more wells on the same lesse or where wells on two or more lesses are connected to the same tank battery, whether by individual flow line connections direct to the tank or tanks or by use of a multiple header system, each line between each well and such tank or header shall be legibly identified at all times, either by a firmly attached tag or plate or an identification properly painted on such line at a distance not to exceed three (3) feet from such tank or header connection. Said signs, tags, plates or other (dentification markers abell be maintained in a legible condition throughout the term of this leave. term of this lease.
- 13. The State shall have a first lies upon all oil and gas produced upon the above premises, and upon all rigs, tanks, pipe lines, telephone lines, and machinery and appliances owned by Lessee used in the production and handling of oil and gas produced therefrom, to secure any amount due from the Lessee herein and to secure the performance of any of the provisions contained in this lesse contract.
- 14. If Lessee shall fail or refuse to make the payment of any sum due by the provisions of this lease, either as rental or royalty on the production, within thirty (30) days after same shall become due, or if the Lessee or his authorized agent should make any false report or false return concerning production, royalty, or drilling, or if Lessee shall fail or refuse to drill any offset well or wells in good faith, as required herein, or if the Lessee, or his authorized agent, should fail or refuse to the records and other date pertaining to the operations under the afteress if Act, or if the Lessee, or his authorized agent, should fail or refuse to give correct information to the proper authorities, or fail or refuse to furnish the leg of any well within thirty (30) days after production is found in paying quantities therein or the well is abandoned, or if any of the material terms of this sease shall be violated, this lease thall be subject to forfeiture by the Board for Lesse of University Lands by an order entered upon the minutes of the Board reciting the facts constituting the default and declaring the forfeiture. The Board may, if it so determines, have suit instituted for forfeiture: through the Attorney General of the State. Upon proper showing by the Lessee, within thirty (30) days after the declaration of forfeiture, this lease may, at the discretion of the Board and upon such terms as it may prescribe, be reinstated. In case of violations by the Lessee of the provisions of this lease, the remedy of the State by forfeiture shall not be the exclusive remedy. but a sait for dangers or swedies, performance, or both may be instituted by the instituted. shall not be the exclusive remedy, but a suit for damages or specific performance, or both, may be instituted.
- 15. The assignment of the rights acquired under this lease shall be governed by the provisions of existing law providing that all rights acquired may be assigned in quantities of not less than forty acres, unless than been be less than forty acres remaining in any survey, in which case such lesser area may be assigned. All assignments shall be filed in the county or counties in which the area is situated and a certified copy of the assignment shall be filed in the General Land Office within one hundred (100) days after the date of the first acknowledgment thereof, accompanied by ten cents (100) per sore transfer fee for the gross acres assigned and the required statutory filing fee of the Ceneral Land Office. If not so filed and payments so made, the assignment shall be ineffective.
- 16. All rights to any whole lease and to any assigned portion thereof may be relinquished to the State at any time by having an instrument of relinquishment recorded in the county or counties in which the land is situated and a certified copy of the relinquishment filed in the General Land Office, accompanied by a One Dollar (\$1.00) relinquishment fee for each area relinquished and any additional statutory filing fee required by the General Land Office. Such assignment or relinquishment shall not relieve the lease owner of any past due obligations theretofore accrued thereon, or impair the Lesson's lien herein provided for.

ding upon the heirs, executors, administrators, 17. The covenants, conditions, and agreements contained herein shall extend to and be bit to and the binding upor successors, or assigns of the Lessee herein.

IN TESTIMONY WHEREOF, witness the signeture of the Commissioner of the congal Land Office this 5th. day of October A.D., 19.5 ... 10

JERRY SABLER, Commissioner, General Land Office of Texas

Audit . Logar _ // Engineery Con





	A D. 19 can at the control of M.	
	Filed for Record on the 6 day of Nov. A.D. 1967, at 10:00 o'clock A.M.	
	Duly Recorded this the /3 day of Most A.D.1967, at 1.00 o'clock R.M.	
	Instrument No. 3973 MARY M. CHILDS, County Clerk, Ward County, Texas	
	By Lois Robinson Deputy.	;
	Harriet S. Stevens to M. T. Beyton Producers 88 Rev. 1-66 (10 yrs. paid up Lesse) With 40/640 Acre, Produce Provision With 40/640 Acre, Produce Provision With 40/640 Acre, Produce Provision 1977	
	OIL, CAS AND MINERAL LEASE THIS ACREMENT made this 19th day of October 1967, between	
	Harriet S. Stevens, a feme sole Lenor (whether one or more), whose address is: 201 East Walton, Chicago, Illinois	
	and M. T. Peyton	
	(3.10.200 in continuence of the continuence of the continuence of the agreements of Letter herein contained, hereby grants, lesses and lets exclusively must be used to the purpose of investigating, exploring, prospecting, deilling and mining for and producing oil, as and all other minerals, conducting exploration, prospecting, deilling and mining for and producing oil, as and all other minerals, conducting exploration, prospecting, deilling and mining for and producing oil, as and all other minerals, conducting exploration, producing exploration, producing exploration, and second products, over and second lands owned or elalmed by Lestor adjacent and contiguous thereto, to produce, save, take care of, treat, transport, and own said products, and housing its employees, the following described land in Ward	
	All of Section 231, Block 34, H&TC RR. Co. Survey.	
	This passe also covers and includes all hand owned or claimed by Lessor adjacent or consignous to the land particularly described above, whether the same he in said survey or an edipsect surveys, although not included; within the boundaries of the land particularly described above. 2. Without reference to the communicament, prosecution or ceasation at any time of defiling or other development operations, and/or to the discovery, development or constituent and or constituent of the particular of the contrary, the lease shall be for a term of every years from this date (sailed) primary term!) and as long thereafter as old, gas or other mineral is produced from said land or land with which said land in pooled becamers or as long as this lease is continued in effect as otherwise provided becein.	five
	The repulsies to be paid by Lersee are: (s) on oil, one-eighth of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lerser into the pipe line to which the wells may be connected; Lessee may from time to time purchase any zoysity oil in its possession, paying the market price therefore presenting for the field where produced on the date of purchase; (b) on gas, including essinghest gas or other gaseous substance, produced from said land, and sold or used off the president or for the extraction of gaseline or other presented; therefore, the market value at the well of one-eighth of the gas so rold one-of-eighth of the gas so lot at the well of the present the produced from such sales which there is a gas well of your least or of contracting the same of the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of correct or the produced from such sales which there is a gas well of your least or of the produced from such sales which there is a gas well of your least of the produced from such sales which the produced from such sales which the produced from the produced from such sales which the produced from the produced from such sales which the produced from such sales which the produced from the produced from such sales which such sales which sales are such sales which sales are such sales	
	moded therewith but rue is not being sold or need. Lossee may new as voyalty to the credit of the owner or owners of royalty bereander in	٨
	The bank at Children Must Town (which bank and its successors are the royalty owner or owners' agent, and shall continue as depository for all such sums which Lessee may pay hereworder, regardless of changes in ownership of royalties) on or before sincety (90) days after the date we which (1) as id well is about into a (15) the land covered hereby or any portion thereof is included in a possible unit on which a well is heasted to ref) this lease	
	ceases to be otherwise maintained as provided herein, whichever is the later date, and thereafter at monthly intervals, the sum of \$1.2.00, and if such payment is made or tendered, this lease shall not terminate and it will be rounidered that gas in being produced from this lease in paying quantities; and (c) on all other maintersh minde atom furatives, do neither that is not to be the supply of the state of the such that is not the rounider and the such control of the such that is not the rounider and market. The rounider all such is not the rounider and and the such that control of the such that the such t	
	4. Lease, at its option, is hereby given the right and power to pool or combine the acrosps covered by this lease we may portion thereof as to oil and gran, or either of them, with any other land covered by this lease, and/or with any other land, lease or lease in the immediate relative thereof to the extent hereinafter stipulated, when in Lease's judgment it is necessary or advisable by do so in order property to explore, or to develop and operate and leased premates	
	Lesses, promete the conservation of sell and gas in and under and that may be produced from and premates, Such pooling shall be into a unit or dailth not accessing forty (40) acres plus an acres get observed of the percent (10%) thereof for di, and the net exceeding rail numbered forty (140) acres such plus an accessing for the product of the percent (10%) thereof for rea, provided that, absult governments as substitute production presents or present in a creation of any deliberation of the production of the pr	
	the accreage of interests above electrised, or any portion thereof, as above previous, at it is not or pas in any one of more xants, and until so formed need not conform in after of even with the unit or wind in the which the issues is possion for combined as early thire sense, and oil units need not conform as to accar with gas units. The possing is one or more instances shall not exhaust the rights of the Lauses hereisned to pool this lease or portions thereof into other units. Leases shall this for record in the appropriate percents of the centry in which the [leased presided in instrument describing and designating the	
	of whether an an appearance in the second of	
	production of all or gas from any part of a possist unit which includes all or a portion of the land covered by this bears, regardless of whether each operations for drilling were commanced or such production may secure before or after the accession of this phetrument or the interestment shading mentions the pooled unit, such speciations shall be considered as operations for drilling on or production of oil or gas from land covered by this lease whether or not the well or with the located on the premises covered by this lease and in each overtoo persistence for drilling on the land of the production of the production of the land of th	
	The mathrity of pavegraph 5 of this lease; and the entire acrossoc constituting such units or make, as to oil and gas, or either of theirs, as briefly previded, shall be incited for all purposed, extent the payment of repatites on production from the pooled unit, as if the name were incideded in this lease. For the purposed of comparing the regardless to which swarers of repatites and payments east of productions and cash of them shall be entitled on practice of oil and gas, or either of them, from the possed onit, there shall be allocated to the land covered by this issent and incided in antil cut (or to east appraise tract within	
	deducting that man't for operations on the profession. Such allocation shall be on an across basis—that is to any, there shall be allocated to the across covered by this places and included in the procedus and (or to each suparate tract within the unit if falls beams covered by this places across covered by this least (or to access the profession of the all many gas, or either of them, professed from the pooled unit which the number of surface across exerced by this least (or to seek study suparation of the all many gas, or either of them, professed from the pooled unit which the number of surface across exerced by this least (or to seek study suparation of the all many gas, or either of them, professed from the pooled unit which the number of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by this least (or to seek study suparation of surface across exerced by the last of surface across exerced by the last (or to seek study suparation of surface across exerced by the surfa	
	the perion, of anch production, whether it is oil and can, or either of them, so allocated to the land covered by this lesse and included in the mail just an though such production were from such land. The production from a oil well will be considered as production from the lesse or oil bedset and from which it is production, and not as production from a gas well will be considered as production from the lesse or can pooled.	
	ye in the croyete on oil, as an iccal shall be competed active deducting any as used. 4. Leases, at its option, is hereby given the right and power to pool or combine the acrosses overall and the crowd and control of the category of the competed active of the category of the competed active of the category of the ca	
	5. If at the expiration of the primary term, oil, sas, or other mineral is not being produced on said land, or from land pooled therewith, but Lesses is then engaged in drilling or creworking operations thereon, or shall have completed a dry hole thereon, within 60 days prior to the end of the primary term, the lesses shall remain in force so long as operations on said well of feed drilling or reworking of any additional well are prosecuted within a cessation of more than 80 consecutive the expiration of the primary term of this leave and after oil, gas, so other mineral is produced from said land, or from land pooled therewith, the production thereof should crease from any cause, this lease shall not terminate if Lease commences operations for drilling or reworking within 60 days after the cestation of such production, but shall remain in force and effect so long as such operations are prosecuted with no respection of more than 60 consecutive day, and if they result in the production, and igna, or other mineral is produced from said land, or from land pooled therewith, the state of the county in which production, and gas are represented with no respection of more than 60 consecutive day, and if they rount in the production, but shall remain in force and effect so long as such operations are prosecuted with no respection of more than 60 consecutive day. And if they rount in the production, but shall gas a reason between the end of the county in which are the consistency of the county in which the consistency of the county in which the consistency of the county in which are the consistency of the county in the constitution of production on said unit. In the event a well or well to a constitute of the county in which are the consistency of the lease of permitted the production of production on said unit. In the event of the county in which the constitution of production of the county in the constitution of the county in the county in the county of the county in the county of the county in the county of the count	
	production thereof should clear from any cause, this lease shall not terminate if Lease; commences operations for drilling or revorking within 69 days after the cettathor of such production, but shall remain in force and effect so lang as such operations are proported with increasing on more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled thereafter has one of the control of the contro	
	records of the county in which the leased premiars are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on discent land and within the lease of the leased premises. In any posted therewish, better stress to drill such offset well or wells as a responsibly prudent operator would drill under the same or similar circumstances. I sever may stany time execute and deliver to Leaser or place of records release or release covering any portion or portions of the above described premises and thereby surrender this lease as to stell portion or portion and be called each of all dishipsions as to the accesses surrendered.	
	6. Lessee thall have the right at any time during or after the expiration of this lesse to remove all property and fixtures plared by Lessee on said land, including the right to draw and remove all casing. When required by Lesser, Lessee will bury all pipe lines below ordinary plow depth, and no well shall be drilled within two hundred lets in only retained or barn now on said land without Lesser's counted.	
	7. The rights of either party hereunder may be assigned in whole or in part, and the prosisions hereof shall extend to their heirs, successors and assigns, but no change or division in ownership of the land or roystice, however excomplished, shall operate to enlarge the obligations or disminish the rights of Lester; and no change or division in such ownership thall be binding on Lestee quali thiety (30) days after Lestee shall have been furnished by registered U. S. mail at Lestee's principal place of business with a certified copy of recorded instruments evidencing same. In the event of assignments thereof in whole or in partitionally the parties become antitled to exposing the content of the parties become antitled to exposing the content of the parties become antitled to exposing the content of the parties become antitled to exposing the content of the parties become antitled to exposing the content of the parties are content of the parties become antitled to exposing the content of the parties of the par	
	A. The breach by Lessee of any obligation erising hereunder shall not work a forfeiture or termination of this least not cause a termination or severation of the ratter and the property of the state of the property of the	
t-	A 9. Lemor breely-warrante raid agrees to delend the shide or wind lend and agrees that Lessee at its option may discharge any law, mortgage or other lien upon and hand either in whole or in pays, and in event Lessee does so, it shall be subrogated us such lies with the right to enforce some and apply royalties rectioning bernarder lessed attentions. The pays are the state of the	