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It is agreed that this lease shall remain in force for a term of 10 years from date, and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

1st: To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect his wells, the equal one-eighth part of all oil produced and saved from the leased premises.

2nd: To pay to lessor, as royalty for gas from each well where gas only is found, while the same is being sold or used off of the premises, one-eighth of the market price at the wells of the amount so sold or used, the lessor to have gas free of charge from any gas well on the leased premises for all stoves and inside lights in the principal dwelling house on said land by making lessor's own connections with the well at lessor's own risk and expense.

3rd: To pay to lessor as royalty for gas produced from any oil well and used by lessee for the manufacture of gasoline, one-eighth of the market value of such gas. If such gas is sold by lessee, then lessee agrees to pay lessor, as royalty, one-eighth of the market price at the wells of the amount sold.

If no well be commenced on said land on or before the 27th day of January 1932, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor or to the lessor's credit in the First Nat'l. Bank at Gilmer, Texas, or its successors, which shall continue as the depository, regardless of changes in the ownership of said land, the sum of Eighty Five DOLLARS, which shall operate as a rental and cover the privilege of deferring the commencement of a well for 12 months from said date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privilege granted to the date when said rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid and any and all other rights conferred.

Should the first well drilled on the above described land be a dry hole, then, and in that event, if a second well is not commenced on said land within twelve months from the expiration of the last rental period which rental has been paid, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payment of rentals in the same amount and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payments.

If, at the expiration of 10 years from the date of this lease, oil or gas is not being produced on the leased premises, but lessee is then engaged in drilling for oil or gas, then this lease shall continue in force so long as drilling operations are being continuously prosecuted on the leased premises; and drilling operations shall be considered to be continuously prosecuted if not more than sixty (60) days shall elapse between the completion or abandonment of one well and the beginning of operations for the drilling of a subsequent well. If oil or gas shall be discovered and produced in paying quantities from any such well or wells drilled or being drilled at or after the lapse of 10 years, this lease shall continue in force so long as oil or gas shall be produced from the leased premises.

It is specially agreed that in the event that oil or gas is produced from said premises and said production shall for any reason cease or terminate, lessee shall have

the right at any time within ninety (90) days from the cessation of such production to resume drilling operations in the effort to make said leased premises again produce oil or gas, in which event this lease shall remain in force so long as such operations are continuously prosecuted, as defined in the preceding paragraph, and if they result in production of oil or gas, so long thereafter as oil or gas is produced in paying quantities from the premises.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided for shall be paid the said lessor only in proportion which lessor's interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except from water wells of lessor. When requested by lessor, lessee shall bury its pipe line below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without the written consent of the lessor. Lessee shall pay for damages caused by all operations to growing crops on said land. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payment of said rental.

Lessee shall have the exclusive right to build, operate and maintain pits, reservoirs, pickup stations and plants for the purpose of picking up and conserving the waste oil that flows down the creeks, ravines and across the land embraced in this lease, whether said oil is produced from lands covered by this lease or other lands and lessor shall be entitled to receive the royalty hereinbefore reserved on all such oil so saved.

In case of cancellation or termination of this lease for any cause, lessee shall have the right to retain under the terms hereof twenty (20) acres of land around each oil or gas well producing, being worked on, or drilling hereunder (as long as such operations are continued in good faith) such tract to be designated by lessee in as near a square form as practicable.

In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, before production has been secured or after production has been secured, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligation hereunder.

Title to the minerals vested in grantee under this grant shall not end or revert to grantor until there is a complete, absolute and intentional abandonment by grantee of each and all of the purposes, expressed or implied, of this grant and every part and parcel of the premises described in this grant.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgage, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and lessor hereby agrees that any such payment made by the lessee for the lessor shall be deducted from any amounts of money which may become due the lessor under the terms of this lease.

In Testimony Whereof, We Sign, this the 27th day of January 1931.

JESSIE ROBERTSON,
GUSTENA ROBERTSON
DANAH JOHNSON
LONNIE ROBERTSON
ROSIE ROBERTSON (X-Her Mark)
SARAH MARTAIN WILLIAMS
GRANVILL JONES
MARY LONG ARMSTEADT (X-His Mark)
ARMSTEADT LONG
UPSHUR JONES (X-His Mark)
CORDELLA WATERS
WILLIE ROBERTSON (X-His Mark)
RENER ROBERTSON
SARAH J. YOUNG
EUGENE YOUNG

Note: The names Jessie Robertson and Renner Robertson do not appear in the body of the instrument, but they are the wives of Lonnie Robertson and Willie Robertson, respectively, and are included in the instrument with their husbands.

Witnesses:
Milton Lester,
E. L. Carrington.

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME the undersigned, a Notary Public in and for said County and State, on this day personally appeared Danah Johnson, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 27th day of January A. D. 1931.

Mrs. M. M. Lester,
Notary Public in and for
Upshur County, Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Jessie Robertson, and Gustena, Robertson, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Gustena Robertson, wife of the said Jessie Robertson, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Gustena Robertson, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein

expressed, and that she did not wish to retract it.

GIVEN under my hand and seal of office this the 27th day of January A. D.

1931.

Mrs. M. M. Lester,
Notary Public in and for
Upshur County, Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME, a Notary Public in and for said County and State, on this day personally appeared Granville Jones, known to me to be the person whose name ___ subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 9 day of Feb. A. D. 1931.

S. S. Barton, N. P.
in and for Upshur Co. Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME, a Notary Public in and for said County and State, on this day personally appeared Sarah Martin Williams, known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 9 day of Feb. A. D. 1931.

S. S. Barton, N. P. in
and for Upshur Co. Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME, the undersigned, Notary Public in and for said County and State, on this day personally appeared Upshur Jones, known to me to be the person whose name ___ subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 9 day of Feb. A. D. 1931.

S. S. Barton, N. P.
in and for Upshur Co. Tex.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF UPSHUR |

BEFORE ME, a Notary Public in and for said County and State, on this day personally appeared Cordella Wallace, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this Feb. day of 9, A. D. 1931.

J. A. Chastain,
Notary Public,
Upshur County, Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF BOWIE |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Eugene Young, and Sarah J. Young, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Sarah J. Young, wife of the said Eugene Young, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Sarah J. Young, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN under my hand and seal of office this the 14th day of February A. D. 1931.

Wm. V. Brown,
Notary Public in and for
Bowie County, Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF MARION |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Armstead Long and Mary Long, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Mary Long, wife of the said Armstead Long, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Mary Long acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN under my hand and seal of office this the 17th day of February A. D. 1931.

H. J. Becker,
Notary Public in and for
Marion County, Texas.

(SEAL)

THE STATE OF TEXAS |
COUNTY OF _____ |

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Willie Robertson and Rena Robertson, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Rena Robertson, wife of the said Willie Robertson, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Rena Robertson, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN under my hand and seal of office this the 9th day of February A. D. 1931.

Max Groley, Deputy County Clerk,
in and for Upshur County, Texas.

(SEAL)

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THE STATE OF TEXAS 6
COUNTY OF UPSHUR 6

BEFORE ME a Notary Public in and for Upshur County, Texas, on this day personally appeared Lonnie Robertson, and Rosie Robertson, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Rosie Robertson wife of the said Lonnie Robertson, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said Rosie Robertson acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN under my hand and seal of office this 9 day of Feb. A. D. 1931.

S. S. Barton,
N. P. in and for
Upshur Co. Tex.

(SEAL)

Filed for record on the 11th day of March 1931 at 5 o'clock P. M.

Recorded this the 11th day of May 1931 at 12 o'clock Noon.

W. M. Smith, County Clerk.

BY Minerva Tinker Deputy.

[illegible]

" OIL AND GAS LEASE "

N. C. PHILLIPS, GUARDIAN

A. O. PHILLIPS,
File # 4332

AGREEMENT, Made and entered into the 18th day of March, 1931, by and between N. C. Phillips, Guardian of the estate of Stella Murrell May; Alfonso Randolph May; Doyle Eugene May; Marvin Louis May; Minors, of _____, hereinafter called lessor (whether one or more) and A. O. Phillips, hereinafter called lessee:

WITNESSETH: That the said lessor, for and in consideration of One Hundred & twenty-five & no/100 DOLLARS, cash in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased, and let and by these presents does grant, demise, lease and let unto the said lessee, for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, and building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Upshur, State of Texas, described as follows. to-wit:

All that certain tract or parcel of land situated in Upshur County, Texas about 12 miles south of the town of Gilmer, on the Waters of Glade Creek on the H. W. Augustine H. R. Survey; Beginning at a stake for corner from which a China Tree brs S. $2\frac{1}{2}$ E. 5.7 vrs. and P. O. brs. N. 71 W. 2.8 vrs; Thence E. 950 vrs. to a stake for corner from which a pine brs. N. $50\frac{1}{2}$ E. 4.3 vrs and another brs. S. $12\frac{1}{2}$ W. 8 vrs; Thence N. 595 vrs to a stake for corner; Thence W. 950 vrs. to a stake for corner; Thence S. 595 vrs. to the place of beginning containing one hundred acres more or less.

SECOND TRACT: All that certain tract or parcel of land herein described about 12 miles south of Gilmer in Upshur County, on the waters of Sabine River on Glade Creek and a part of the H. R. Survey of Henry W. Augustine and better described a part of E. A. Shepperd Home Sted of 253 acres; Beginning at a corner made for A. H. Phillips and W. G. Phillips on the W. B. line of said Shepperd Survey; Thence N. with said line 595 yds. to