

22. The Lessee shall also pay seven-eighths (7/8) of any and all taxes assessed upon the mineral rights in said land, or in such portion of said land as the Lessee may be holding under this lease.

23. The Lessor agrees to pay one-eighth (1/8) of any and all taxes assessed upon the mineral rights in said land, whether the same are assessed to the Lessee or the Lessor, or otherwise.

24. The Lessee agrees not to drill any well upon said land within one hundred fifty (150) feet of the Now existing buildings thereon without the written consent of the Lessor.

25. The Lessee agrees to pay all damages directly occasioned by his operations to crops upon said land. In the event of inability of the parties to agree as to the amount of any such damage such amount shall be determined by arbitration, one arbitrator to be selected by the Lessor, one by the Lessee, and, if the two so selected shall be unable to agree, they shall select a third arbitrator. The decision of a majority of said three arbitrators shall be binding on the parties.

26. The Lessor may at all reasonable times examine said land, the work done and in progress thereon, and the production therefrom, and may inspect the books kept by the Lessee in relation to said land, to ascertain the production and the amount shipped therefrom. The Lessee agrees, on request, to furnish the Lessor or the agent of the Lessor, with copies of logs of all wells drilled by the Lessee on said land.

27. All the labor to be performed and material to be furnished in the operations hereunder shall be at the cost and expense of the Lessee, and the Lessor shall not be chargeable with, nor liable for, any part thereof, and the Lessee shall keep said land duly and fully protected against all liens of every character arising from or connected with, his operations, and in the event of any such liens being placed thereon to the knowledge of the Lessee, he shall at once notify the Lessor thereof.

28. Upon the written request of the Lessor, the Lessee agrees to lay all pipe lines which he constructs through cultivated fields below plow depth, and upon similar request agrees to fence all sumps dug on said land.

29. The Lessee shall have the right to remove from time to time from said land all machinery, rigs, piping, casing, pumping stations and other property and improvements belonging to or furnished by the Lessee, provided that such removal shall be completed within a reasonable time after the termination of this lease.

30. The Lessee agrees upon the surrender or termination hereof to remove all personal property and structures installed by him on said land and to fill all sump holes and excavations made by him.

31. All notices hereunder shall be served by the Lessor upon the Lessee at the address of the Lessee herein set forth, or at such other address or addresses within the State of Wyoming as the Lessee, his heirs, executors, administrators or assigns may from time to time designate by written notice given to the Lessor.

32. If the Lessee shall fail, for a period of ninety (90) days after written notice given to him at 1010 Pershing Square Building, Los Angeles, California, by the Lessor, to comply with any provision of this lease the Lessor may terminate this lease; provided, that no default in the performance of any of the conditions or provisions hereof as to any well or wells or any parcel of forty (40) acres surrounding the same, as hereinbefore provided, shall affect the right of the Lessee or his assigns to continue his or their possession or operation of any other well or wells situated on any other such parcel of forty (40) acres, or to use rights-of-way necessary for his or their operations.

33. If at any time during the term of this lease more than one person, firm or corporation shall be or become interested in the estate of the Lessor hereunder, all such interested parties shall be represented by a single agent, and the Lessor hereby appoints Chas. P. Noble, whose address is Big Piney, Wyoming, as such agent with full power in the name and on behalf of the Lessor, and his successors in interest, and of each and every one of them, to examine said land, to grant all consents required from the Lessor, to give all notices required to be given by the Lessor to the Lessee, and to receive all notices required to be given to the Lessor by or under this lease; to inspect all books and records of the Lessee which the Lessor may be entitled to inspect, as provided in this lease, to receive and receipt for all royalties deliverable in kind, and all statements of production of oil on said land; to settle all accounts and other matters pertaining to the delivery or disposition of such royalty, with like power and authority to elect whether such royalty shall be received in kind, or shall be sold to the Lessee as hereinabove provided. Should the agent elect to sell said royalty to the Lessee, said agent shall have full power and authority, in the name and on behalf of the Lessor, and his successors in interest, and of each and every one of them, to contract to sell all of such royalty, as hereinbefore provided.

34. The power and authority of such agent shall continue until the owners and holders of at least two-thirds (2/3) of the acreage included in this lease shall, in writing, elect another such agent and shall notify the Lessee in writing at 1010 Pershing Square Building, Los Angeles, California, of the name and address of such new agent.

35. The delivery of any and all royalty in kind by the Lessee to said agent, or to anyone designated by him in writing, and the transaction of any business by the Lessee with said agent, which business said agent may be authorized to transact hereunder, shall be a full acquittance and discharge of the Lessee of and from any and all liability to the Lessor, and to the heirs, executors, administrators, successors and assigns of the Lessor, and each of them, for or on account of any such royalty or such business, and the Lessee shall not be accountable or responsible for the disposition of said royalty, or of the proceeds thereof, after the same has been delivered by the Lessee to said agent as herein provided.

36. The Lessee shall not be required to recognize or act upon any orders, directions or requirements of the Lessor, and his successors in interest, in any matter or thing concerning which said agent is authorized to act.