

is hereby acknowledged by First Parties, and the remaining sum of \$108,876.42 is payable in the following manner:

\$7,000.00 on or before September 1, 1951

\$7,000.00 on or before October 1, 1951

\$47,438.21 is due upon delivery by First Parties to the escrow agent of all the executed options and assignments in accordance with Sections 1A and 1B hereof and is payable within ten (10) days after the escrow agent notifies Second Party in writing that all such options and assignments have been so delivered.

The balance of \$47,438.21 is to be paid in cash after January 1, 1952 but not later than January 15, 1952.

Upon payment of the full purchase price, Second Party shall be entitled to receive and First Parties shall deliver to Second Party properly executed options and assignments in accordance with Section 1A and 1B hereof and at such time, First Parties shall authorize and direct the escrow agent to deliver to Second Party all the options and assignments held by the escrow agent at the time the full purchase price has been paid.

3. Upon delivery to the Second Party of each of the assignments to the Second Party of any of the leases described in Exhibit A hereof, except assignments of the so-called James Mickelson, Dan Budd and John Budd fee leases which have already been assigned to the Second Party, the Second Party agrees to convey, as to the lease so assigned, (a) to the First Parties, individually, by an instrument substantially in the form attached hereto, marked "Exhibit 5", and (b) to Hintze by an instrument substantially in the form attached hereto and marked "Exhibit 6", the overriding royalty interests out of production from the lands covered by leases so assigned to Second Party and in the amounts as set forth in Exhibit A. Nothing contained or omitted in said overriding royalty agreement terms, marked "Exhibit 5" and "Exhibit 6", shall be construed as in any way modifying or amending the terms of this agreement and in the event of a conflict between the terms of this agreement and the terms of the overriding royalty agreement, the terms of this agreement shall control.