

Bk 24-1.560

60235

RECORDED October 24 1957 11:00 A. M.
 IN BOOK 18 Oil & Gas PAGE 224
 FEES \$ 3.50 ~~MINIMUM~~ COUNTY CLERK
 SUBLETTE COUNTY, PINEDALE, WYOMING

OIL AND GAS LEASE

THIS AGREEMENT, entered into this the 16th day of August, A.D. 1957 between John C. Budd and Lula Budd, his wife, and Joseph L. Budd and Ruth F. Budd, his wife, hereinafter called lessor, and Big Piney Oil and Gas Company, hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of Nine Hundred Sixty and 00/100 Dollars (\$ 960.00) in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted and leased and hereby grants, leases and let unto the lessee for the purpose of mining and operating for and producing oil and gas, casinghead gas and casinghead gasoline, laying pipe line, building tanks, storing oil, building power stations, telephone lines and other structures thereon to produce, save, take care of and manufacture all of such substances, and for housing and boarding employees, the following described tract of land in Sublette County, State of Wyoming to-wit: The SE $\frac{1}{4}$ of SW $\frac{1}{4}$, W $\frac{1}{2}$ of SW $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Section 26; The NE $\frac{1}{4}$ of SE $\frac{1}{4}$, SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 27; The NE $\frac{1}{4}$ of SW $\frac{1}{4}$, NW $\frac{1}{4}$ of SE $\frac{1}{4}$, NW $\frac{1}{4}$, W $\frac{1}{2}$ of NE $\frac{1}{4}$, SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Section 35; all in Township 31 North, Range 113 West, 6th P. M. Wyoming, an area of 640 acres more or less. The Lessor's claim only an undivided forty eight percent (48%) interest in and to the mineral rights in and under the above described lands, and this lease applies to only the said undivided 48% interest.

2. This lease shall remain in force for a term of two (2) years and as long thereafter as oil, gas, casinghead gas, casinghead gasoline, or any of them is or can be produced.

3. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipeline to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at lessee's option, may pay to the lessor for such one-eighth royalty the market price for oil of like grade and gravity prevailing on the day such oil is run into the pipeline, or into storage tanks.

4. The lessee shall pay lessor, as royalty, one-eighth of the proceeds from the sale of the gas, as such, for gas from wells where gas only is found, and where not sold shall nevertheless pay the minimum annual