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LEASE.

This Lease, made and entered into this 1st day of May, 1925, by and between the Promontory Curlew Land Company, of Logan, Cache County, Utah, as party of the first part, and Lakeside Oil Company, a corporation, of Brigham City, Utah, party of the second part, Witnesseth:

That Whereas, the party of the second part is engaged in developing Lease No. 13 of the Great Salt Lake, which lease was obtained from the State of Utah, and covers lands lying under the waters of the Great Salt Lake, and,

Whereas, the party of the first part is the owner of the under-ground rights of the following described lands situated in Box Elder County, Utah,

Lots 1, 2, 3 and 4, and the East one half of the Northwest quarter all in Section 31, twp. 9 North, range 7 West Salt Lake Meridian, containing 213.74 acres more or less. Which said premises lie adjacent to Lease No. 13 as aforesaid, and,

Whereas, the party of the second part is now driving a well upon lease No. 13 in order to explore for oil and gas, and,

Whereas, the party of the second part desires to obtain from the party of the first part an underground lease for the purpose of drilling for oil and gas thereon.

Now Therefore, in consideration of the premises and of the payment of \$100.00, per year, payable on the first day of May 1925, and annually thereafter during the term of this lease, the party of the first part hereby grants to the party of the second part, the exclusive right to enter upon said premises and drill for oil or gas of any kind or nature thereon, together with the right of ingress and egress over, across and upon said premises for the purpose of removing any and all oil or gas together with sufficient surface rights for the operation of any mill or refinery or pipe line reasonably necessary and convenient for the operation of any oil or gas well of any kind or nature which the party of the second part shall deem necessary in the full enjoyment of the provisions herein granted, provided that this lease is not intended to grant and does not grant greater rights to the party of the second part than those rights reserved to the party of the first part in a certain deed dated September----- 1924, wherein the above lands are described, and in which the grantor therein is the party of the first part herein, and the grantee therein is the Lindsey Land and Livestock Co., which deed is hereby referred to, the said reservation being as follows:

"Reserving from the operation of this deed all oil and gas of any kind and nature that may be found hereafter on said premises together with the right of ingress and egress over, across and upon said property for the purpose of removing any of said oil or gass, together with sufficient surface rights for the resonable operation of any gas or oil well of any kind or nature, together with sufficient surface rights for the operation of any mill or refinery or pipe line reasonably necessary and convenient for the operation of any oil or gas wells of any kind or nature".

To Have and To Hold, the same unto the party of the second part, its

successors and assigns for the uses and purposes hereinbefore mentioned, and only upon the following conditions, to-wit:

Whereas, the party of the second part is now engaged in the development of its holdings on lease No. 13 as aforesaid, and that it would be unwise to attempt further developments of the well as aforesaid, party of the second part may retain said underground and surface rights pending the development now being made on lease No. 13 as aforesaid, which said developments shall be prosecuted with all reasonable diligence and without any unnecessary delays. In the event however, that oil and gas in commercial quantities shall be encountered on Lease No. 13, then in that event, the party of the second part agrees that it will immediately begin operations on the premises hereinbefore described, and will with all reasonable dispatch begin and complete such wells as may be thoroughly developed on the premises herein before described so as to obtain maximum production therefrom, and in such a way as to prevent the premises hereinbefore described from being drained of its oil or gas by wells sunk in surrounding territory not belonging to the party of the first part, and that said party of the second part shall have the perpetual use of said premises for the purpose of developing said oil or gas as aforesaid, so long as it complies with its agreement herein set forth, and so long as the party of the second part shall pay to the party of the first part as royalty for the use of said premises during the time that it occupies the same, one-eighth of the gross returns of all oils, gases, petroleum or other valuable minerals, taken from said premises.

It is further agreed and understood that in the event the party of the second part shall abandon its operations on said Lease No. 13, or shall fail to prosecute the same in a reasonable continuous manner and with reasonable diligence, then in that event this lease shall terminate and be void at the option of the party of the first part, and if said second party shall fail to do any work upon said well for a period of six months, it shall be conclusive evidence of abandonment, and the party of the second part hereby agrees in such event to execute to the party of the first part, a release of any of its rights hereunder which release shall be properly acknowledged so as to entitle the same to be recorded, but that so long as the party of the second part continues to develop Lease No. 13, and to pay the said \$100.00. per year rental, and to perform each and every other covenant on its part to be kept and performed, that this lease shall continue and be binding upon the parties hereto. Should the party of the second part fail to pay the rent at the time and in the manner herein agreed upon, or should fail in any other way to comply with the provisions of this lease, then and in that event the party of the first part shall have the right to declare the same null and void and terminate said lease at the option of the party of the first part, giving however, to the party of the second part the right to remove any and all machinery or other property from said premises, and the party of the second part shall have the right if it so desires, to pull any and all pipe placed upon said premises by the party of the second part during the life of this lease.

In Witness Whereof, the parties to this lease have caused the same to be executed by its officers thereunto lawfully authorized, this 1st day of May 1925.

.....
• Promontory-Curlew Land Company •
• Logan, Utah. Corporate Seal. •
.....

Promontory-Curlew Land Company
By H. E. Hatch, President
Attest: Herschel Bullen, Jr.
Secretary,

Lakeside Oil Company.
By H. L. Erdmann, President
Attest: Bert Olson, Secretary.

State of Utah)
) ss.
County of Box Elder)

On this 29 day of July 1925, personally appeared before me H. L. Erdman and Bert Olsen, who being first duly sworn by me each for himself did say, that he is the President and Secretary, respectively of the Lakeside Oil Company, and that the foregoing instrument was signed by said corporation pursuant to a resolution of its Board of Directors and that said H. L. Erdman and Bert Olsen, acknowledged to me that said corporation executed the same.

..... Maud Forsgren Bowen, Notary Public
• Maud Forsgren Bowen, Notary Public •
• Brigham City-State of Utah •
..... Residing at -----

My Commission expires Dec. 12, 1925.

State of Utah)
) ss.
County of Cache)

On this 27th day of July 1925, personally appeared before me H.E. Hatch and Herschel Bullen Jr., who being by me duly sworn, each for himself did say, that he is the President and Secretary respectively, of the Promontory-Curlew Land Company, a corporation, and that said instrument was signed in behalf of said corporation pursuant to a resolution of its Board of Directors, and that said H. E. Hatch and Herschel Bullen, Jr., acknowledged to me that the said corporation executed the same.

..... Luther M. Howell, Notary Public
• Luther M. Howell, Notary Public •
• Logan-State of Utah •
..... Residing at Logan Utah

My commission expires Apr. 9, 1926.

Filed for record and recorded Dec. 18, A. D. 1925 at 2:30 P. M. in Book L of Miscel., Page 607. Fee \$3.50. Abst'd in Book E of Sec Page 249.

Rec. by Dorothy Richardson

Proof-Read by R.N. & L.O.

Calista Jensen Co. Recorder