

A S S I G N M E N T

T16368

THIS AGREEMENT, Made and entered into this 20th day of February, 1939, by and between George L. Peyton and W. M. Peyton, Parties of the First Part, hereinafter called "ASSIGNOR" and Shell Petroleum Corporation, Party of the Second Part, hereinafter called "ASSIGNEE";

W I T N E S S E T H: That

WHEREAS, ASSIGNOR is the present owner and holder of all of the right, title, and interest conferred by the hereinafter described oil and gas leases covering the property described hereinbelow, to wit:

1. Oil and gas lease dated November 10, 1938 by and between West Securities Company and Kirby Lumber Corporation, lessors, and George L. Peyton and W. M. Peyton, lessees, covering, among other lands, the following described property, to wit:

(a) "SECOND TRACT": 60 acres of land, more or less, out of and a part of the G. S. Thomas League, Abstract 72 in Polk County, Texas, being all of a certain 70 acre tract (less and except 10 acres around the Peyton Brothers, Kirby-West Well No. B-1, said 70 acre tract) being more particularly described as follows:

BEGINNING at the Northwest corner of the 94 acre tract hereinabove described as the FIRST TRACT said beginning point being located due North 1536.7 feet and due east 1303 feet from the Peyton Brothers Kirby-West Well No. B-1 for the Northeast corner of the herein described tract;

THENCE West parallel with the South line of the said Thomas League, a distance of 1633 feet to a point for corner;

THENCE due South, a distance of approximately 1867 feet to a point on the North line of the P. A. Sublett League, being the South line of the said Thomas League;

THENCE East with the North line of the said P. A. Sublett League, being the South line of the said Thomas League, a distance of 1633 feet to the Southwest corner of the said FIRST TRACT of 94 acres;

THENCE due North with the West line of said FIRST TRACT passing through a point located due East 1303 feet from the said Peyton Brothers, Kirby-West Well No. B-1, a distance of approximately 1867 feet to the place of beginning and containing 70 acres of land LESS AND EXCEPT a 10 acre tract of land around the said Peyton Brothers, Kirby-West Well No. B-1, being more particularly described as follows:

BEGINNING at a point located due North 330 feet and due East 330 feet from the said Peyton Brothers, Kirby-West Well No. B1 for the Northeast corner of the herein described tract;

THENCE West parallel with the South line of the said Thomas League, a distance of 660 feet to point for corner on the West line of the herein above described 70 acre tract;

THENCE due South with the West line of the said 70 acre tract a distance of approximately 660 feet to the Southwest corner of same;

THENCE East with the South line of the said 70 acre tract, a distance of 660 feet to a point located due South of the beginning point of the herein described tract;

THENCE due North, a distance of approximately 660 feet to the place of beginning and containing 10 acres of land to be deducted from the above described 70 acre tract leaving a net residue of 60 acres of land, more or less.

(b) "FOURTH TRACT": 140 acres of land, more or less, out of and a part of the G. S. Thomas League, Abstract 72, Polk County, Texas, and being more particularly described as follows:

BEGINNING at the Northwest corner of a 100 acre tract herein above described as the THIRD TRACT for the Northeast corner of the herein described tract;

THENCE West parallel with the South line of the said Thomas League, a distance of 3267 feet to a point for corner;

THENCE due South a distance of approximately 1867 feet to a point on the North line of the Peter J. Menard League, being the South line of the said Thomas League and being the Southwest corner of the herein described tract;

THENCE East with the North lines of the said Peter J. Menard League and the Kirby-West 271 acre tract in P. A. Sublett League, being also the South line of the said Thomas League, a distance of 3267 feet to the Southwest corner of the said THIRD TRACT of 100 acres; THENCE due North with the West line of the said THIRD TRACT, a distance of approximately 1867 feet to the place of beginning and containing 140 acres of land, more or less.

(c) "SIXTH TRACT": 100 acres of land, a part of the P. A. Sublett League, Abstract 71, in Polk County, Texas, described as follows: BEGINNING at the Northwest corner of said Sublett League; THENCE East along the North boundary line of said league 381.45 varas to point for corner, being the Northeast corner of this 100 acre tract; THENCE South parallel with the West line of said Sublett League 1480 varas to point for the Southeast corner of this 100 acre tract, being in the South line of that certain 271 acres tract of land in said Sublett League, conveyed by West Lumber Company to Kirby Lumber Company by deed dated October 1st, 1928; THENCE West along and with the South line of said 271 acres tract to point for corner in the West boundary line of said Sublett League, the same being the East boundary line of the Peter J. Menard League; THENCE North along and with said league line 1480 varas to the place of beginning, containing 100 acres of land.

And,

2. An oil and gas lease dated December 14, 1938 by and between Clark Davis and S. H. Bergman, lessors, and George L. Peyton and W. M. Peyton, lessees, covering, among other land, the tract of land described hereinabove as tract (c) "SIXTH TRACT", mentioned and more fully described hereinabove; and

3. An oil and gas lease dated January 20, 1939 by and between Mary E. McDonald, individually and as independent executrix of the estate of L. A. McDonald, deceased, lessor, and George L. Peyton and W. M. Peyton, lessees, covering ^{among others,} tract (c) "SIXTH TRACT", hereinabove described in lease No. 1; and

WHEREAS, Lease No. 1 hereinabove described provides for the commencement of the drilling of a well within sixty days from the date of the execution thereof, which said well has now been drilled and completed by ASSIGNOR as a commercial producer in paying quantities; and

WHEREAS, Said lease No. 1, in addition to a royalty provision therein in favor of the lessor in the amount of $\frac{1}{6}$ of the oil, gas, and casinghead gas produced therefrom, provides for an overriding royalty payment of \$45,000 out of $\frac{1}{4}$ of $\frac{5}{6}$ of the first oil, gas, and casinghead gas produced from said tracts (a), (b), and (c), described hereinabove, until said lessors, jointly, have received the sum of \$45,000; subject to a proportionate reduction in the event lessors therein own less than a full and undivided $\frac{1}{2}$ interest each in the minerals under any of said tracts;

NOW, THEREFORE, For and in consideration of the sum of \$ 10⁰⁰, the receipt of which is hereby acknowledged, ASSIGNOR herein, George L. Peyton and W. M. Peyton, do hereby grant, bargain, sell, transfer, and assign and convey unto ASSIGNEE herein, Shell Petroleum Corporation, its successors and assigns, the above described leases and leasehold estates and all rights thereunder, together with all personal property used or obtained in connection therewith in so far as same cover the above described tracts of land.

And for the same consideration ASSIGNOR, their heirs, successors, and representatives, do hereby covenant with the said ASSIGNEE, its heirs, successors, or assigns, that they are the lawful owners of said leases and all rights thereunder; that all payments required under the terms of said leases to

the time of the making of this assignment have been paid; that
they have good right and authority to sell and convey the same;
and that said rights, interest, and property are free and
clear from all liens and encumbrances; and that all royalty
and overriding royalty due and payable thereunder to date has
been paid; and that they will warrant and forever defend the
same against the lawful claims and demands of all persons
whomsoever.

IN WITNESS WHEREOF, The undersigned owners and ASSIGNOR
herein have signed and sealed this instrument on this 20th day
of February, 1939.

Geo. L. Peyton X
W. M. Peyton X

STATE OF TEXAS ✓

COUNTY OF Harris ✓

BEFORE ME, The undersigned authority, Notary Public in
and for the county and State aforesaid, on this day personally
appeared GEORGE L. PEYTON and W. M. PEYTON, known to me to be
the persons whose names are subscribed to the foregoing instru-
ment, and acknowledged to me that they each executed the same
for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE On this 21
day of February, A.D., 1939.

J. W. Brandau ✓
Notary Public.

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Geo. F. Pearson, et al
to

Shell Petroleum Corp

Assignment

PROOF READ

FILED FOR RECORD

This 7 day
of March A.D. 1939
at 8 o'clock A.M.
J. H. McKee
Clerk County Court, Polk County, Texas
By Mrs. J. H. McKee
Deputy

Shell Oil Corp

STATE OF TEXAS
County of Polk

I hereby certify that the foregoing instrument with its certificate of authentication was filed for record in my office on the 7 day of March 1939 at 8 o'clock A.M., and was this day duly recorded at 8:10 o'clock A.M., in Vol. 21 Pages 500, et seq., Oil and Gas Lease Records of said County.

Witness my hand and official seal at office in Livingston, this, 10 day of March 1939.

J. H. McKee

Clerk County Court, Polk County, Texas

By Audrey Rhea Deputy.