

in the Charles P. Delmas 1/3 League in DeWitt and Lavaca Counties and the A. Adams Survey in Lavaca County.

W M Carroll

It is the intention of this royalty deed to convey 5.325 royalty acres for the term hereof.

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together with the right of ingress and egress at all times for purpose of mining, drilling and exploring said lands for oil, gas and other minerals and removing the same therefor. This grant shall run, and the rights, titles and privileges hereby granted shall extend to Grantee herein, and to Grantee's heirs, administrators, executors and assigns, for a period of Fifteen years from date hereof and as long thereafter as oil, gas or other minerals, or either of them, is produced or mined from the lands described herein, in paying or commercial quantities. If at the expiration of said Fifteen (15) years from date hereof, oil, gas or other minerals, or either of them, is not being produced or mined from said land or any portion thereof in paying or commercial quantities, this contract shall be null and void and the Grantee's rights hereunder shall terminate.

Said lands, or portions thereof, being now under oil and gas lease executed in favor of Shell Petroleum Corporation it is understood and agreed that this sale is made subject to the terms of said lease, but covers and includes one-sixtyfourth of all the oil royalty, and gas royalty, and casinghead gas and gasoline royalty, and royalty from other minerals or products, due and to be paid under the terms of said leases. And it is further understood and agreed that notwithstanding the Grantee does not by these presents acquire any right to participate in the making of future oil and gas mining leases on the portion of said lands not at this date under lease nor of participating in the making of future leases, should any existing or future leases for any reason become cancelled or forfeited, nor of participating in the bonus or bonuses which Grantor herein shall receive for any future lease, nor of participating in any rental to be paid for the privilege of deferring the commencement of a well under any lease, now or hereafter.

NEVERTHELESS, during the term of this grant, neither the Grantor nor the heirs, administrators, executors and assigns of the Grantor shall make or enter into any lease or contract for the development of said land or any portion of same for oil, gas or other minerals, unless each and every such lease, contract, leases or contracts, shall provide for at least a royalty on oil of the usual one-eighth to be delivered free of cost in the pipe line, and a royalty on natural gas of one-eighth of the value of same when sold or used off the premises, or one-eighth of the net proceeds of such gas, and one-eighth of the net amount of gasoline manufactured from natural or casinghead gas; and in the event Grantor, or the heirs, administrators, executors and assigns of the Grantor, or as in the status of the fee owners of the land and minerals, or as the fee owner of any portion of said land, shall operate and develop the minerals therein, Grantee herein shall own and be entitled to receive as a free royalty hereunder, (1) An undivided (1/512th.) of all the oil produced and saved from the premises delivered to Grantee's credit free of cost in the pipe line, (2) An undivided one-five hundred twelfth interest and portion of the value or proceeds of the sales of natural gas when and while the same is used or sold off the premises, (3) An one-five hundred twelfth (1/512th.) of the net amount of gasoline or other products manufactured from gas or casinghead gas produced from wells situated on the premises, during the term hereof.

TO HAVE AND TO HOLD the above described property and rights, together with all and singular the rights and appurtenances thereto in any wise belonging, unto the said Grantee, and to Grantee's heirs, administrators, executors and assigns, forever; and Grantor does hereby bind themselves, their heirs, administrators, executors and assigns, to warrant and forever defend all and singular, the said property and rights unto the said Grantee, and Grantee's heirs, admin-