

13. In case of cancellation or termination of this lease for any cause, lessee shall have the right to retain under the terms hereof twenty-five (25) acres of land around each oil or gas well or mine producing, being worked on, or drilling hereunder, as long as such operations are continued in good faith such tract to be designated by lessee in as near a square form as practicable.

14. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder.

15. Title to the minerals vested in lessee under this lease shall not end or revert to lessor until there is a complete, absolute and intentional abandonment by lessee of each and all of the purposes, expressed or implied, of this lease and every part and parcel of the premises described in this lease. Lessee may, at any time and from time to time, execute and deliver to lessor, or place of record, a release or releases covering any portion or portions of the above described premises, or any mineral thereunder, and thereby surrender this lease as to such portion or portions, or as to such mineral, and be relieved of all obligations and rentals as to the acreage, or mineral, surrendered.

16. Lessor hereby warrants and agrees to defend title to the leased premises and agrees that lessee shall have the right at any time to pay or reduce for lessor, either before or after maturity, any mortgages, taxes or other liens or interest and other charges on said lands and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments due or which may become due to lessor and/or assigns under this lease.

IN TESTIMONY WHEREOF, we sign as of the day and year first above written.

Julia Bailey McDonald

W. P. Bailey,

Stella Bailey

Emmett Vernon Cook,

THE STATE OF TEXAS.....}

COUNTY OF LAVACA.....} BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Julia Bailey McDonald, a widow; W.P. Bailey; and Emmett Vernon Cook, a single man, known to me to be the persons whose name are subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 11th. day of June A.D. 1933.

(SEAL)

Ferd Lacy,
Notary Public in and for Lavaca County, Texas.

THE STATE OF TEXAS.....}

COUNTY OF LAVACA.....} BEFORE ME, the undersigned authority, a notary public in and for said County and State, on this day personally appeared Stella Bailey wife of W. P. Bailey known to me to be the person whose name is subscribed to the foregoing instrument, and having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said wife, acknowledged the same to be her act and deed, and declared that she had willingly executed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.