

Lease on County Property

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OIL AND GAS LEASE.

AGREEMENT made and entered into this 27 day of May, 1923, by and between Jackson County, State of Missouri, by and through Elihu W. Hayes, Harry S. Truman and Henry F. McElroy, the duly elected, qualified and acting members of the County Court of said County, they being the lawful agents of said County, acting for and on its behalf, party of the first part hereinafter called the lessor, and Independence Natural Gas Company a corporation, party of the second part hereinafter called the lessee:

WITNESSETH: That the said lessor for and in consideration of the sum of One (\$1.00) Dollar cash in hand paid receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of the lessee, to be paid, kept and performed, has granted, demised, lease and let, and by these presents does grant, demise, lease and let unto the said lessee for the sole and only purpose of mining and operating for oil and gas, and laying pipe lines, take care of said products on a certain tract of land situated in the County of Jackson, State of Missouri, wells to be drilled on parts as shall be designated from time to time, described as follows:-

The southwest quarter of the southeast quarter of Section 26 and the northwest quarter of the northeast quarter of Section 35, Township 50 North, Range 32 West and containing 80 acres more or less.

IT IS AGREED that this lease shall remain in force for a term of one year from this date and as long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

That all locations for wells to be drilled on said property shall be submitted to the Court for their approval ~~or rejection~~ before any hole is started:

The lessee shall deliver to lessor from the gas produced on the property free of cost for use at the Jackson County Parental Home,

one hundred thousand (100,000) cubic feet of gas per month as shown by the service meter through which service is maintained, and the equal one-eighth of all gas or oil produced and saved from the leased premises as shown by the lease meters to be maintained by the lessee.

The Lessee shall deliver gas to the buildings located on said property from its mains or service lines so that regular service shall be maintained, and if the gas consumed by the lessor shall exceed the ^{hundred} one/thousand cubic feet (100,000) to be delivered free of cost, such excess shall be charged against the one eighth belonging to the lessor. If the amount consumed shall exceed the one hundred thousand (100,000) cubic feet and the one-eighth belonging to the lessor, then the lessor shall pay the lessee sixty-five (65¢) cents per thousand (1,000) cubic feet for such excess.

The lessee agrees to pay the lessor ^{10¢ for the gas for well when gas is being produced} fifteen (15¢) cents ^{15¢ per well} per thousand (1000) cubic feet for all or any part of the one-eighth ^{well} belonging to it which it does not use itself.

It is also further understood and agreed that above rates are subject to any change where ordered by the Public Service Commission of the State of Missouri.

It is further understood and agreed that settlement shall be made on a ^{30 day} thirty day basis and payments of balance, to whomsoever due, shall be paid on or before the fifteenth of the month following the thirty day period.

If no well be commenced on said land on or before the 15th day of ^{July 1927} July, 1927, this lease shall terminate as to both parties. Should the first well drilled on the above land be dry, then, and in that event, if second well is not commenced on said land within six months this lease shall terminate as to both parties. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided shall be paid the lessor only in the proportion which its interest bears to the whole and undivided fee.

Lessee shall have the right to use free of cost gas, oil and water produced on said land for its operators thereon, except water from wells of lessor or city water from lessor's pipes.

Lessee shall bury its pipe lines below plow depth.

No well shall be drilled ~~nearer~~ than four hundred (400) feet to the main buildings now on said premises without the written consent of the lessor, nor at any point or place thereon without the approval of lessor as heretofore outlined, and the lawns, grounds, buildings of said premises shall in no manner be damaged or marred and no operations shall be carried on that will leave the grounds disfigured or be injurious to the future use and development thereof by lessor.

Lessee shall pay for damages caused by its operators to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing, providing the conditions and agreements herein have been faithfully complied with by lessee.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed - the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof; and it is hereby agreed in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payment of said rental.

IN WITNESS WHEREOF, the aforesaid Elihu W. Hayes, Harry S. Truman and Henry F. McElroy, Judges of the County Court of Jackson County, Missouri, have, on behalf of said County, hereunto caused their names to be affixed, together with the Seal of said Court, attested by the Clerk thereof, this 22 day of May, 1923.

John Appaard
Ralph S. Law
County Chancellor

Elihu W. Hayes (SEAL)
Presiding Judge of the County Court of Jackson County, Missouri.

H. F. McElroy (SEAL).
Judge of the Western District of the County aforesaid.

Harry S. Truman (SEAL)
Judge of the Eastern District of the County aforesaid.

Attest:

Peter J. Kelly
Clerk of the County Court of Jackson County, Missouri

BY:

Know All Men By These Presents:

That M.J. White, Receiver of the Independence Natural Gas Co., a corporation, of the City of Independence, Missouri, the within named grantor in consideration of the sum of Three Thousand and Seventy Five (\$3075.00) Dollars, to him in hand paid, the receipt whereof is hereby acknowledged, does hereby sell, assign, transfer, set over and convey unto Fred C. Alexander and H.T. Jones, their heirs and assigns the within grant/

To have and to hold the same forever, subject nevertheless to the conditions therein contained.

In Witness Whereof The said grantor has hereunto set his hand this 30th day of April, 1926.

M. J. White
Receiver of the Independence Natural Gas Co., a corporation

STATE OF MISSOURI
COUNTY OF JACKSON

On this 30th day of April, 1926, before me Dorothy Tutt, a Notary Public personally appeared before me M.J. White Receiver of the Independence Natural Gas Company, a corporation, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Independence, Missouri, the day and year first above writte.
My term expires January 24th, 1929.

Dorothy Tutt
Notary Public, Jackson County, Missouri.

Independence, Mo., Aug. 7th, 1926.

For value received the within lease is hereby assigned to F. W. Black

F. C. Alexander

H. T. Jones

State of Missouri ss
County of Jackson

On this day personally appeared before me

a notary public, F. C. Alexander and H. T. Jones, and to me known to
be the person described in and who executed the foregoing instrument
and acknowledged that they executed the foregoing instrument as their
free act and deed.

Commission expires January 24-1929.

Loachy Dutt
Notary Public