

16. The said mortgagor hereby transfers, sets over and conveys to the mortgagee all damages, rents, royalties, bonuses and delay moneys that may from time to time become due and payable under any oil and gas or other mineral leases of any kind now existing, or that may hereafter come into existence, covering the above described land, or any portion thereof, or by virtue of the prospecting for or discovery of oil or gas or other minerals, and said mortgagor agrees to execute, acknowledge and deliver to the mortgagee such deeds or other instruments as the mortgagee may now or hereafter require in order to facilitate the payment to it of said damage(s), rents, royalties, bonuses and delay moneys. All such sums so received by the mortgagee shall be applied: first, to the payment of matured installments upon the note(s) secured by and/or to the reimbursement of the mortgagee for any sums advanced in payment of taxes, insurance premiums, or other assessments, as herein provided, together with the interest due thereon, and second, the balance, if any, upon the principal remaining unpaid, in such a manner, however, as to not abate or reduce the periodic payments but to sooner retire and discharge the loan; or said mortgagee may, at its option turn over and deliver to the then owner of said lands, either in whole or in part, any or all sums, without prejudice to its rights to take and retain any future sum or sums and without prejudice to any of its other rights under this mortgage. The transfer and conveyance hereunder to the mortgagee of said rents, royalties, bonuses and delay moneys shall be construed to be a provision for security to the payment or reduction of the mortgage debt, subject to the mortgagee's option as hereinabove provided, independent of the mortgage lien on said real estate, and shall in no event be construed as permitting the execution of any such lease without the consent of the mortgagee. Upon payment in full of the mortgage debt and the release of the mortgage of record, this conveyance shall become inoperative and of no further force and effect.

17. If the mortgagor shall pay all costs to be paid to the mortgagee, its successor or assigns, the principal sum of said promissory note with interest thereon according to the terms and conditions of said note, and shall keep and perform the promises and obligations under this mortgage to be kept and performed by the mortgagor, then these presents shall be null and void, and the mortgagee, upon demand therefor, will execute a release in satisfaction of this mortgage.

18. No failure on the part of mortgagee to exercise any of its rights hereunder arising upon any default or breach of covenant shall be construed to prejudice its right in the event of any other or subsequent default or breach of covenant. No delay on the part of mortgagee in exercising any of such rights shall be construed to preclude it from the exercise thereof at any time during the continuance of any such default or breach of covenant. Mortgagee may enforce any one or more remedies or rights hereunder successively or concurrently at its option.

19. By accepting payment of any sum secured hereby after its due date, mortgagee shall not thereby waive the agreement herein contained, that time is of the essence of this agreement, nor shall mortgagee waive either its right to require prompt payment when due of all other sums so secured or to consider failure so to pay a default hereunder.