

During the life of this option the Grantee, its agents and representatives, shall have the free, exclusive and unrestricted right to enter upon said premises and conduct thereon by such means and methods as the Grantee may elect explorations and investigations for rock, stone and minerals which may be located or contained in, upon or under the surface of said premises. The Grantee agrees to pay the Grantors for all actual damages which it does to growing crops and fences as a result of its prospecting and exploration operations, exclusive of the cutting or damage to scrub timber.

If this option is not exercised, the Grantee agrees to fill up or plug, in a suitable manner, all drill or exploration holes. If the Grantee elects to exercise this option, written notice thereof shall be given to the Grantors, whereupon this option shall automatically become a contract of purchase and sale, binding upon the Grantors and Grantee, and the Grantors shall convey said premises to the Grantee by a general warranty deed, conveying a good and marketable title thereto, in fee simple, free of all liens and encumbrances, and deliver such deed to the Grantee upon its payment of the purchase price therefor.

The Grantors agree to deliver to the Grantee, on request, all deeds, abstracts, and other papers that Grantors have concerning the title to said premises.

In the event a good and marketable title to any part of said premises cannot be given by the Grantors, the Grantee may elect to close the purchase to such part of said premises as may be acceptable, whereupon said purchase price shall be proportionately reduced by applying the same price per acre to the parts to be conveyed as the total number of acres set forth herein bears to the purchase price of \$19,500.00.

The cash consideration paid for this option, in the event of its exercise, shall be credited on the purchase price to be paid at the closing of the sale, but if this option is not