

Att: A. E. Hill
P. O. Box 2332
Houston 1, Texas

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Lessee shall notify lessor in writing of its election to extend this lease sixty (60) days prior to the date of the expiration of the term of this lease and notice thereof shall be deemed sufficient if given in the manner hereinafter provided.

(b) If at any time during the term of this lease or any extension or renewal thereof, lessor shall receive a bona fide offer to lease the demised premises for a term to begin subsequent to the present demised term or any extension or renewal thereof, and lessor desires to accept such offer, lessor shall immediately submit to lessee a written copy of such offer with a full disclosure of all terms and provisions thereof and lessee shall have thirty (30) days after receipt thereof in which to elect to lease said premises upon the same terms and provisions contained in such offer.

(c) In the event lessee is granted an option to extend under the provisions of paragraph (11)(a), it is agreed that if lessee does not in any instance elect to lease said premises in accordance with the provisions of paragraph (11)(b), such failure shall in no way limit or affect lessee's right and option to extend this lease as provided in paragraph (11)(a).

(12)—Holdover. If, at the expiration or termination of this lease or any extension thereof, lessee shall hold over for any reason, the tenancy of lessee thereafter shall be from month to month only and be subject to all other terms and conditions of this lease, in the absence of a written agreement to the contrary.

(13)—Assignment and Sub-Letting. Lessor consents that lessee may assign or sub-let the premises, provided that lessee shall remain liable to lessor for the performance of all the terms hereof.

(14)—Notice. Notices from lessee to lessor shall be sufficient if delivered to lessor, or if sent by telegraph, or if placed in the United States mails addressed to the lessor at the address shown in this lease. Notices from lessor to lessee shall be sufficient if posted in the United States mails, postage prepaid, addressed to the lessee's place of business as shown in this lease.

(15)—Change in Ownership. No change in ownership, assignment of this lease, or assignment of rentals hereunder shall be binding upon lessee unless and until lessee has been furnished either the original instrument evidencing such transfer, or assignment, or a true copy thereof.

(16)—Successors and Assigns. This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors or assigns.

(17)—Entirety of Agreement. No prior stipulation, agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the provisions of this lease.

(18)—Approval and Signing by Lessee. This agreement, whatever the circumstances, shall not be binding on the lessee unless and until approved and signed in its behalf by an Executive Officer, or any of the following employees of the Domestic Sales Department: General Sales Manager, Assistant General Sales Manager, Division Sales Manager or Assistant Division Sales Manager.

(19)—Construction of Combination Firestone Store and Service Station. Lessor hereby covenants and agrees to:

(a) Furnish lessee at lessor's expense a survey of the demised premises, prepared by a registered surveyor and in conformity with the requirements of lessee's construction department.

[Handwritten initials]

Construct or cause to be constructed upon the premises herein demised, for use of lessee, a modern combination Firestone Store and Service Station which will be completed in accordance with plans and specifications furnished by the Firestone Tire and Rubber Company and as mutually agreed upon between lessor and lessee.

(c) Lessee will furnish and retain title to and lessor will install:

- 2 - Gasoline Pumps
- 3 - 6000-Gallon Underground Tanks
- 2 - Air and Water Wells
- 6 - Automobile Lifts Frames Contact
- 1 - Air Compressor 10 HP Capacity
- 1 - Banjo Sign Pole, Sign and Floodlights
- 1 - 550-Gal. Waste Oil Tanks
- 1 - Set Stars, Bands and Letters

In event of lessor's failure to construct or complete service station as herein provided within 180 days after the delivery by lessee to lessor of this lease, duly approved and signed, the lessee may, at its election, terminate the lease on thirty days' notice to lessor.

IN WITNESS WHEREOF lessor and lessee have hereunto subscribed their names the day and year first above written.

Witness: *[Signature]*
Witness: *[Signature]*

W. N. WATSON SUPPLY COMPANY (Seal)
Saul C. Brown (Seal) President
Margaret B. Brown (Seal) Secy.
(Lessor)

Attest *Philip Cresap, Jr.*

TEXACO INC. (Lessee)
By *[Signature]*
EXECUTIVE VICE PRESIDENT

Approved as to: Terms *W.M. Villars* Description *NET Poshaw* Form *Buchner*