What is included in a Standard Fee Lease

- **The Granting Clause/Consideration Clause**
    - The first paragraph is normally called a granting clause. The granting clause says that the Lessor, on a certain date, granted the lessee certain rights (on the surface it would be your grantor is giving to the lessee' which is the exploration company or sometimes the broker's take the lease in their name and then assign it to an oil company. The legal description is also listed on the lease in this paragraph depicting what real property is being granted to the lessee.
- **Lease Terms and Renewals**
    - Primary term and extensions
- **Production Timing Requirements and Provisions**
    - Drilling and operating provisions that govern how long a lease is active for is production ceases
- **Royalties**
    - It tells what kind of royalty the lessor is going to receive. A royalty is a consideration. If someone drills a well and there's production, then your share of that production is going to be a royalty paid to you for the value of that production. The rest will be paid to other lessors in the same manner or to Working Interest (WI) who participated in the operations of drilling the well.
- **Pooling**
    - Pooling is where they take many leases from many different mineral owners on different tracts of land and put them together to create a unit or pooled unit, which is also called "unitized acreage".
- **Operations**
    - This paragraph concerns operations and says that a release can be filed of record as to a portion of or all the leased lands.
- **Free use of water, oil and gas**
    - Says that the lessee shall have the use, free from royalty, of water, other than from lessor's water wells, and of oil and gas produced.
- **Assigning rights / First Right of Refusal / Pref Rights**
    - Says that you can assign the rights and estate of any party at any time.
- **Breach Clause**
    - If the lessor considers the lessee has not complied with his obligation, the lessee shall have 60 days of receipt of a written notice to make good or comply.
- **Warranty**
    - When the lessor warrants and defends title to his property. This is commonly struck in favor of the lessor.

- **Force Majeure**
    - Says that this lease will stay in force if something happens beyond the reasonable control of the lessee and that this lease will continue for a certain period of time.
- **Pugh Clause**
    - A Pugh Clause is clause added to an Oil Lease to limit holding non-producing lands or depths beyond the primary term of lease.
- **Signatures**
    - All Lessors must sign and notarize each signature to be valid