

AGREEMENT TO DEFER BONUS PAYMENT

State:

County:

Lessor: (Name and Address)

Lessee: (Name and Address)

Effective Date:

Lessor, named above, delivered to Lessee, named above, an oil and gas lease dated ____, recorded in Volume ____, page ____ of the ____ Records of the county and state named above (the "Lease"), on the following lands in the county and state named above (the "Lands"):

(Description of Land covered by Lease)

Lessee agreed to pay Lessor a bonus of \$ ____ (the "Bonus") for the execution and delivery of the Lease. Lessor has requested the Bonus not be paid on delivery of the Lease, but be paid on a deferred basis as provided for in this Agreement.

As part of the consideration for execution of the Lease, at Lessor's request, Lessee agrees to pay the Bonus to Lessor on (Date of Payment of Bonus).

This Agreement is subject to the following:

1. Lessor shall not mortgage, pledge, or otherwise hypothecate Lessor's right to receive the Bonus, but the right of Lessor to receive the Bonus shall be inheritable and devisable by Will and may be transferred by way of gift. In the event of inheritance, devise, or gift, any person acquiring the inheritance, devise, or gift shall be bound by the provisions of this Agreement as to the time and manner of payment of the Bonus.
2. Lessor shall not be entitled to receive any part of the Bonus prior to the payment date provided above, but the Lease shall be deemed binding on Lessor on the Effective Date stated above and contained in the Lease, and in full force and effect.
3. If Lessor breaches this Agreement, Lessor's right to receive the Bonus shall be forfeited; however, the Lease shall remain valid and effective and the consideration shall be deemed to be One and No/100 Dollars (\$1.00) and other good and valuable consideration in full payment for the Lease. Lessor shall not have the right to claim, by judicial pleading or otherwise, that the Lease has been terminated due to the nonpayment of the Bonus or lack of consideration, so long as Lessee pays the Bonus in the manner provided for in this Agreement. In any event, the Lease shall be deemed to be valid as a result of the payment of sufficient and adequate consideration.
4. The obligation of Lessee to pay the Bonus shall not be excused or diminished by the lapse or termination of the Lease according to its terms, by the surrender or release in

whole or in part of the Lease, or by the assignment of the Lease in whole or in part.

5. Lessee's failure to pay the Bonus in a timely and proper manner shall cause: (a) the Lease to terminate (as of the date the Bonus was required to be paid); and, (b) Lessee to be indebted to Lessor in the amount of the Bonus, at the election of the Lessor.

This Agreement shall be binding on and inure to the benefit of Lessor and Lessee and their respective heirs, legal representatives, successors, and assigns.

This Agreement is signed by Lessor and Lessee as of the date of the acknowledgments below, but is effective for all purposes as of the Effective Date stated above.

Lessor

Lessee

**sample
Form**