



Defendant admits.

4. In 1919 the 320 acre Emahaka School tract was appraised by the United States Department of the Interior officials for \$16,700.00, which included \$6.00 an acre for oil and gas, and \$2,000.00 for improvements for that part of the school building resting on the Seminole domain.

In letter dated January 23, 1920, to the Superintendent of the Five Civilized Tribes, Muskogee, Oklahoma, the United States Oil Inspector stated in relation to this Emahaka School tract:

"\* \* \* Should a well be completed by the Producers and Refiners Corporation at the above specified location, this tract would probably sell, at public auction, for \$25.00 per acre, or even more, depending upon conditions at the time."

The test well of the Producers and Refiners Corporation, above referred to, was being drilled one and one-quarter miles north of the Emahaka School tract in the southwest corner of NE<sup>4</sup> SW<sup>4</sup> of Section 31-2N.-2E., on the Phiney Bowlegs allotment.

Defendant admits.

5. On May 26, 1920, authority was granted by the Interior Department to the Superintendent of the Five Civilized Tribes at Muskogee, Oklahoma, to sell the Emahaka School tract at public auction to the highest bidder under the provisions of the Act of April 30, 1908, 35 Stat. 70, 71, at not less than the appraised value. The original appraisal of 1919 was revised and the mineral value of this land was increased from \$6.00 an acre to \$25.00 an acre, so as to make a total appraisal of \$22,780.00. On July 31, 1920 this tract was sold at public auction after the giving of public notice of said sale to Walter Ferguson for \$27,280.

The terms of said sale, as disclosed by the notice of sale, dated June 15, 1920 and other evidence in the record was as follows:

"TERMS: Twenty-five per cent of the purchase price must be paid on the date of sale, 25% in one year, and the balance in two years from date of sale; deferred installments to draw 5% interest, provided that the entire amount may be paid at any time before the expiration of one year, if so desired. Patent will be issued immediately upon full payment. Should any payment be not made when due, the sale thereof may be canceled and the rights of the purchaser therein declared forfeited, in the discretion of the Secretary of the Interior."

Defendant admits.

6. Ferguson made the one-fourth cash payments of \$6,820.00 at the time of the sale, and made no further payments, although he had been repeatedly requested to remit to the United States officials the balance due on said purchase price.

Defendant admits.

7. Although the sale was subject to cancellation for non-payment of the balance of the purchase price, the Interior Department officials failed to cancel said sale. In the meantime, oil activity in the vicinity of this property greatly increased, and the value of this property for oil and gas also increased.

EVIDENTIARY FINDINGS UPON WHICH BASIC FINDING NO. 7 IS MADE

The witness Collier testified that he lived for many years in the vicinity of the land involved herein and lived there in the 1920's when oil activities began and knew of the consideration payed for leases on land within the vicinity and, in fact, himself leased land in the vicinity of this tract. He testified to having leased 80 acres for oil for a bonus of \$100.00 per acre and he sold the surface of the same land for \$100.00 per acre. He said this leasing was done in 1922 or 1923. He said at the time he did this leasing there was a great deal of excitement and activity in and near the property involved in buying leases for oil and gas.















