

April Title Question:

Lessor leased a tract of Texas land to Lessee, the lease containing pooling, dry hole, cessation of production and continuous drilling clauses. Lessee formed a voluntary 640-acre gas unit with a lease on an adjoining tract and prior to the expiration of the primary term commenced a well on such unit, but not on Lessor's land.

The well was completed as an oil well after the expiration of the primary term of Lessor's lease. Lessee immediately attempted to commence a well on Lessor's land; however, Lessor demanded the release of his lease to Lessee.

Has the lease terminated?