

described in this Indenture, which authentication shall be substantially in the form of the Trustee's certificate herein-before set out. Such certificate when duly executed by such Trustee shall be conclusive evidence that the bond so authenticated has been duly issued hereunder and is entitled to the benefit of the provisions hereof. All bonds authenticated and issued hereunder shall be equally secured hereby without regard to date of authentication, delivery or issuance. Before authentication any bond under this Indenture, the Trustee shall detach and cancel all matured coupons belonging thereto and deliver the same to the Company.

Section 5. Bonds hereby secured to the aggregate principal amount of Two Million Dollars (\$2,000,000) par value shall be forthwith executed by the Company and delivered to the Trustee, and the said Trustee shall forthwith authenticate and deliver the same to or upon the written order of the Company. Such order shall specify the kind and denominations of the bonds desired, and shall be signed in the name of the Company by its President or a Vice President under its corporate seal, attested by the Secretary or an Assistant Secretary of the Company. No other action on the part of the Company shall be required and such order shall be due and sufficient authority to the Trustee for the authentication and delivery of the bonds in this Section provided for.

Section 6. The remaining Three Million Dollars (\$3,000,000) Par value of bonds shall from time to time be executed by the Company and delivered to the Trustee and by the Trustee authenticated and delivered to or upon the written order of the Company to provide funds for any and all capital expenditures made by the Company on or after June 1, 1919, for extensions of and additions to its properties and equipment.

No bonds shall be certified and delivered under the provisions of this Section on account of expenditures (1) made for real property or any interest in or concerning the same, which shall not have been, or is not simultaneously with the issue of such bonds, subjected to the lien of this indenture, (2) made out of any insurance moneys, or the proceeds of property taken by eminent domain, (3) made out of the proceeds of the sale of any part of the property mortgaged hereunder, (4) previously made the basis for the certification of bonds under the provisions of this indenture, or (5) made for properties or equipment against which there are outstanding any valid vendors', contractors' or mechanics' liens, or any mortgage or other lien, except any mortgage lien subject to which such property is acquired, unless and until arrangements satisfactory to the Trustee shall be made by the Company for the discharge of such liens.

Every order of the Company for the certification and delivery of bonds under the provisions of this section shall be executed in the name of the company by its President or a Vice President, and attested by its Secretary or an Assistant Secretary under its corporate seal, and shall be delivered to the Trustee accompanied by

- (a) a certified copy of a resolution duly passed by the Board of Directors of the Company authorizing such order;
- (b) the sworn statement of the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company showing the existence of all facts in relation to the expenditures necessary to entitle the Company to the certification and delivery of such bonds, in such detail as the Trustee may require;
- (c) a certified copy of such order or approval of such commission, official or officials as (in the opinion of counsel satisfactory to Trustee) may have jurisdiction in the premises and as (in the opinion of said counsel) may be required by law to make the bonds applied for the valid, binding and legal obligations of the Company, or in the alternative the opinion of counsel satisfactory to the Trustee that no such order or approval is required by law;
- (d) evidence satisfactory to the Trustee establishing the payment of any recording or other tax or taxes required by law in connection with the issuance of such bonds, or in the alternative the opinion of counsel satisfactory to the Trustee, that no such recording or other tax or taxes are required by law.

The Trustee shall have the right, but shall not be obliged, to require the Company to furnish any other evidence in the premises which said Trustee may deem necessary to establish the rights of the Company to the certification of any of the bonds mentioned in any such order.

In any order of the Company for the certification of bonds capital expenditures may include expenditures for extensions, enlargements, additions or betterments of and to the properties and equipment of the Company and may include expenditures made for acquiring as an entirety or substantially as an entirety, the properties and equipment of another oil and/or gas corporation or the properties and equipment of an individual or individuals engaged in the oil and/or gas business. In case the physical property of such oil corporation or individual or individuals engaged in the oil and/or gas business is at the time of its acquisition, subject to any existing mortgage lien, an amount in par value of bonds hereby secured, equal to the par value of all bonds outstanding secured by said mortgage lien shall, from time to time thereafter, be certified and delivered by the Trustee upon the order of the Company, as and only to the extent (1) that payment shall be made by the Company from time to time of all or any part of the principal of such bonds outstanding (out of funds other than funds applicable to the payment thereof by virtue of any insurance or partial release and provisions of the mortgage or other instrument securing such bonds outstanding) as shall be shown by a certificate executed by the Trustee under such mortgage or other instrument and delivered to the Trustee or (2) that the Company shall deposit uncanceled with the Trustee, bonds representing the whole or any part of the principal of such bonds outstanding with all unmatured coupons belonging thereto attached to be held by the Trustee uncanceled as part of the mortgaged property. When all of the issue of underlying bonds secured by a mortgage upon the property of the Company shall have been deposited with the Trustee or when there shall be delivered to the Trustee a certificate of the Trustee under the mortgage securing such bonds showing that there has been deposited for the full and final redemption or payment of such bonds mentioned in such certificate (and being all the balance of such bonds not then deposited with the Trustee) the