

and the holder of any interest coupon of any bond, whether registered or not, shall be deemed to be the absolute owners respectively of such unregistered bond or coupon for the purpose of receiving payment thereof, and for all other purposes; and neither the Company nor the Trustees shall be bound to take notice or in any way see to the execution of any trust, express, ~~implied or any trust, express~~, implied or constructive, affecting the title or ownership of the bonds issued hereunder, or of the principal or interest thereof, or shall be affected by notice of any equity in respect thereof.

Section 8. Upon any interest payment day the Company at its option may redeem all or any of the bonds hereby secured, then or at any time thereafter outstanding, by depositing with the Corporate Trustee, for the benefit of the holders of the bonds to be redeemed, a sum of money equal to the principal amount thereof, together with all interest due thereon at the date fixed for redemption, and a premium of one per cent upon the principal amount thereof; provided, however, and it is hereby expressly made a condition precedent to such right of redemption, that the Company shall cause a notice to be published once in each week for four successive weeks in a daily newspaper of general circulation published in the City of New York, New York, and in a like newspaper published in the City of Chicago, Illinois, which notice shall state the intention of the Company to redeem the bonds intended to be redeemed and (if the same be less than the whole number then outstanding), the serial numbers thereof, and that the same will be redeemed at par, accrued interest and a premium of one per cent on the face amount thereof, on the date specified in such notice (which date shall be not less than 30 days, nor more than 45 days from the date of the first publication), and further stating that after said redemption date all interest on the bonds so intended to be redeemed shall cease to accrue. In case any bond registered hereunder shall be called for redemption, a notice similar to the published notice shall be sent by the Company, postage prepaid, to the registered holder thereof at least 30 days before the redemption date, at his address as the same appears on the registry book. In case less than all of the bonds then outstanding are to be redeemed the bonds to be redeemed shall be called for redemption in their regular numerical order and the Company before giving notice as aforesaid, shall inform the corporate Trustee of the numbers and par amount of bonds which it proposes to redeem. If on or before such redemption date the Company shall have given the notices above required and shall have deposited with the Corporate Trustee a sum sufficient for the redemption of the bonds to be redeemed, such bonds so called for redemption shall be considered redeemed, and the Company shall thereafter be freed from any and all liability and obligation thereon, and the Corporate Trustee agrees forthwith to pay out of the moneys so deposited, and shall pay at the date of redemption specified in such notice, the principal amount of the bonds so called for redemption, together with interest accrued thereon at such date, and a premium of one per cent of the principal. In no case shall payments be made except upon the surrender of each bond called for redemption, and of all coupons for interest thereon not due at the redemption date. All unpaid interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the several and respective holders of such coupons. From and after the redemption date when any bonds called for redemption become payable as aforesaid, the moneys deposited by the Company for the payment and redemption thereof shall be held by the Corporate Trustee upon special trust for the payment of such bonds at par, accrued interest and a premium of one per cent upon the principal and from and after such redemption date if such moneys shall have been so deposited not further interest shall accrue upon any such bonds, and any coupons for interest maturing after such date shall become and be null and void, anything in such bonds, or in such coupons or in this Indenture, to the contrary notwithstanding. All bonds so redeemed and paid shall forthwith be canceled by said Corporate Trustee, which shall note upon its books the fact of such cancellation together with a memorandum of the numbers of the bonds so canceled and the canceled bonds shall be delivered to the Company and shall not be reissued. ~~The Trustees~~ The Trustees shall be under no obligation to give any notice under this section unless the moneys hereinbefore provided for shall have first been deposited with the Corporate Trustee and in case any question shall arise as to whether the notices above required shall have been given as above provided, and whether the necessary deposits have been made with the Corporate Trustee, such question shall be decided by the Trustees, whose decision shall be final and binding upon all parties in interest.

ARTICLE II.

Covenants of the Company.

The Company covenants and agrees to and with the Trustees, for the benefit of the several holders for the time being of the bonds issued hereunder, as follows:

Section 1. That at the execution of this Indenture the Company is lawfully seized and possessed of the Trust Estate and will preserve good and indefeasible title thereto, free and clear of all liens and encumbrances thereon; that the leasehold estates hereinbefore described are held and owned by the Company under valid and subsisting oil and gasmining leases and other leases hereinabove described; that the Company has good right and lawful authority to sell, mortgage, pledge and convey said Trust Estate as the same is herein and hereby sold, mortgaged, pledged and conveyed, and that it will warrant and defend the same to the Trustees, their successors and assigns, for the benefit of the holders for the time being of the bonds, against the claims and demands of all persons whomsoever.

Section 2. The Company will duly and punctually pay or cause to be paid the principal and interest of each and all of said bonds and the coupons attached thereto in gold coin of the United States of or equal to the standard of weight and fineness existing on November 1, 1920, without deduction for any taxes or governmental charges (except that portion of any Federal income taxes in excess of two per cent and except succession and inheritance taxes) which the Company or said Bank or the Trustees, or any of them may be required or permitted to pay thereon, or to deduct or retain therefrom, under or by reason of any present or future constitution, law of lawful regulation of the United States, or of any state, territory, county, municipality or other lawful taxing authority therein.