

**EXCEPTED PROPERTY.**

There is, however, expressly excepted and excluded from the lien and operation of this Indenture the following described property of the Company, herein sometimes referred to as "Excepted Property":

A. All gas and/or oil leases and/or interests or royalties therein, and mineral rights, whether now owned or hereafter acquired by the Company, located elsewhere than in the Counties of Carson and Gray in the State of Texas, the County of Stevens, Johnson and Anderson in the State of Kansas, and any equipment, appliances or other property used for the development thereof or for the drilling for and production of gas and/or oil therefrom.

B. All oil rights under gas and/or oil leases, whether now owned or hereafter acquired by the Company.

C. Gas and oil and their derivatives in pipelines and in any other reservoirs.

D. All cash on hand and in bank; all contracts; all shares of stock, bonds, notes, evidences of indebtedness and other securities; and bills, notes and accounts receivable acquired in the ordinary course of business; —other than those which are by the express provisions of this Indenture subjected or required to be subjected to the lien hereof.

E. Goods, wares, materials, merchandise and supplies purchased or acquired for the purpose of sale in the ordinary course of business; and fuel, materials, stores and supplies and other personal property which are consumable in their use in the operation of the plants or pipeline systems of the Company.

F. Automobiles, trucks and similar vehicles.

The Company may, however, pursuant to the provisions of the foregoing Granting Clause F, subject