

least equal utility and efficiency, so that at all times the efficiency of the Trust Estate shall be fully maintained. At all times, the Company will set apart, use and apply for the purpose so much of the revenue of the Trust Estate as may be required for such maintenance and replacement, and will maintain a suitable reserve for the depreciation, depletion, retirement and/or replacement of its property.

Nothing herein contained, however, shall be held to prevent the Company from permanently discontinuing the operation of any of its plants, pipelines or properties, if, in the judgment of the Company, it is no longer advisable to operate the same, or if the Company intends to sell or dispose of the same and within a reasonable time shall endeavor to effectuate such sale; nor shall anything herein contained be construed to prevent the Company from taking such action with respect to the user of its plants, pipelines and properties as is proper under the circumstances, including the cessation or omission to exercise rights, permits, licenses, privileges or franchises which, in the judgment of the Company, can no longer be profitably exercised or availed of.

The Company will promptly classify as Retirements for the purpose of the computation of Net Bondable Additions hereunder all Bonded Property, except Production Property and land owned in fee simple, that has permanently ceased to be used or useful in the business of the Company.

Whenever the holders of at least 25% in amount of the Bonds outstanding hereunder shall so request in writing, served upon the New York Trustee and the Company, the New York Trustee shall furnish to the Company the names of five Independent Engineers selected by it, and the Company shall promptly appoint one of said five Independent Engineers to make an inspection of the Trust Estate.

The Company shall cause such Independent Engineer, within a reasonable time after the date of his appointment, to report to the Company and to the New York Trustee whether or not the Trust Estate, as an operating system or systems, has been maintained in good repair, working order and con-