

System, or constructed and put in operation facilities in substitution for such essential portion of the Pipe Line System, in each case on other lands on which it has valid easements or other rights of way."

SECTION 12. § 5.16 of the Indenture is amended by changing the third sentence thereof to read as follows:

"The Company will not sell, assign or otherwise transfer to a subsidiary of the Company any income producing properties or any substantial part of the business, properties or assets of the Company, except that the Company may, so long as such leases and interests are excepted property, assign and transfer to its subsidiary, Northwest Production Corporation, the leases and interests owned by the Company which are identified, described and tabulated in Exhibit D annexed hereto and forming a part hereof, free and clear of the lien hereof and of any obligation (existing pursuant to the provisions contained in § 5.24 of the Indenture prior to the execution of the First Supplemental Indenture) to subject such leases and interests or any portions thereof to the lien hereof if and when gas in commercial quantities is produced therefrom."

SECTION 13. § 5.19 of the Indenture is amended as follows:

(a) The first paragraph is amended to read as follows:

"§ 5.19. So long as any Bonds of the 1975 Series or of the 1977 Series are outstanding, the Company, except as hereinafter permitted, will not make any investment in any corporation other than

"(1) an investment of not more than \$6,654,000 at any one time outstanding in Northwest Production Corporation provided that the shares of common stock of such company held from time to time by the Company are pledged under this Indenture;

"(2) any investments in a corporation wholly or partially owned by the Company to be engaged primarily in the manufacture of chemicals through the utilization of natural gas, provided that such investments shall not exceed at any one time \$1,500,000 plus an amount, if any, equal to the cost to the Company of the payment or acquisition by it of all or any portion of the \$6,000,000 of