

situated in the States of Arizona, Colorado, New Mexico, Oklahoma, Texas, Utah, Washington and Wyoming and the descriptions of which shall be deemed to be evidenced by the property descriptions contained in the Original Mortgage and in indentures supplemental thereto prior to the Thirtieth Supplemental Indenture.

SECTION 1.16. The term "permitted encumbrances" shall mean any and all of the following:

- (1) the lien of this Indenture;
- (2) liens and encumbrances junior to the lien of this Indenture;
- (3) taxes for the then current year or which are not yet due;
- (4) taxes or liens created by assessments of governmental bodies, payment of which is due in instalments over a period of years and no payment of which is overdue, and taxes or assessments already due payment of which is being contested in good faith by the Company;
- (5) any right which any municipality or other governmental body or agency may have, by virtue of any franchise, grant, license, permit, contract or statute, to purchase or recapture or to designate a purchaser of or order the sale of any property of the Company upon payment of fair compensation therefor or to terminate any franchise, license or other right or to regulate the property or business of the Company; and any limitations or restrictions on the assignability of leasehold or other interests in or permits for the use of federal or Indian lands or on the qualification of assignees thereof imposed by statute or by applicable regulations of any department of the government of the United States of America, provided that in the opinion of counsel such limitations or restrictions do not substantially impair the security afforded by and the enforceability of this Indenture;
- (6) undetermined liens and charges incidental to construction or current operations which have not at such time been filed or asserted or the payment of which has been adequately secured or which are inconsequential;