

(i) the delivery to the Corporate Trustee of a specified principal amount of bonds of the Third 1968 Series, duly executed on behalf of the Company, accompanied by an application of the Company requesting the authentication and delivery by the Corporate Trustee of such aggregate principal amount of bonds,

(ii) the deposit with the Corporate Trustee as part of the trust estate of a sum or sums equal to the aggregate principal amount of bonds of the Third 1968 Series whose authentication and delivery is then being applied for under clause (i) above, and

(iii) the deposit with the Corporate Trustee as a part of the trust estate of a sum or sums equal in the aggregate to 50% of the aggregate principal amount of bonds of the Third 1968 Series whose authentication and delivery is then being applied for under clause (i) above (which sum or sums may be deposited simultaneously with or at any time or from time to time prior to the deposit provided for in clause (ii) above); provided that the aggregate amount which the Company shall be obligated to deposit with the Corporate Trustee pursuant to this clause (iii) in connection with all applications for the authentication and delivery of bonds of the Third 1968 Series in accordance with this Paragraph D shall not exceed \$42,735,504,

the Corporate Trustee shall, unless at the time an event of default shall have happened and be continuing, authenticate such bonds and deliver the same as requested in said application of the Company, and the bonds so authenticated and delivered may be used by the Company for any of its lawful corporate purposes; provided that the aggregate principal amount of bonds of the Third 1968 Series which may be authenticated and delivered by the Corporate Trustee under this paragraph and the next preceding Paragraph C shall not exceed \$120,000,000.

E. The sums deposited and to be deposited with the Corporate Trustee pursuant to Paragraphs C and D of this Section 4.01 and pursuant to Section 6C.02, together with the sum of \$514,496 to be transferred to said Fund pursuant to the final paragraph of said Section 6C.02, shall be held by the Corporate Trustee as the Permian-San Juan Construction Fund and shall be disposed of from time to time as provided in Article Six C.