

of the Permian-San Juan Project and related documents specified in the first paragraph of Section 6C.05, any funds then remaining in the Permian-San Juan Construction Fund shall be held by the Corporate Trustee as part of the trust estate hereunder and shall be paid over or applied by it from time to time as provided in Section 4.06.

The Company covenants and agrees that, if the total cost of the acquisition and construction of the Permian-San Juan Project as completed within the meaning of Section 1.12C (exclusive of any costs of the acquisition of gas leasehold estates forming a part of such Project) shall be less than \$175,250,000 (for purposes of this calculation taking the aggregate costs of the acquisition, drilling, testing, completion and/or equipping of gas or gas and oil wells, exclusive of administrative and overhead charges applicable thereto, as being the sum of \$19,584,000, regardless of the amount actually expended therefor), the Company will deposit with the Corporate Trustee, prior to or simultaneously with the delivery to it of the documents specified in the first paragraph of Section 6C.05, an amount which, together with any funds then remaining in the Permian-San Juan Construction Fund and any sums which the Company shall then remain obligated to deposit with the Corporate Trustee pursuant to the first paragraph of Section 6C.02, will equal the difference between such cost of the Permian-San Juan Project and the sum of \$175,250,000. The Company further covenants and agrees that, if said sum of \$19,584,000 shall exceed the actual aggregate costs of the acquisition, drilling, testing, completion and/or equipping of gas or gas and oil wells (other than administrative or overhead charges applicable thereto) included in the Permian-San Juan Project as so completed, the Company will deposit with the Corporate Trustee, prior to or simultaneously with the delivery to such Trustee of the documents specified in the first paragraph of Section 6C.05 (whether or not any deposit is required to be made under the first sentence of this paragraph), an amount equal to such excess. All additional amounts deposited with the Corporate Trustee pursuant to this paragraph shall also be held by the Corporate Trustee as part of the trust estate hereunder and paid out or applied by it as provided in Section 4.06.

If any cash deposited with or held by the Corporate Trustee pursuant to this Section shall not have been paid out or applied as pro-