

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 provided in Section 4.06 within three years after the date of delivery to the Corporate Trustee of the above mentioned documents, such cash, if in an amount equal to \$250,000 or more, shall, unless the Company shall at the time be in default in the payment of interest on some one or more of the bonds or an event of default as defined in Section 10.02 shall have happened and be continuing, be applied (except as to any balance insufficient to effect the redemption of the smallest outstanding bond or portion thereof) to the redemption of bonds of the Second 1974 Series and bonds of the 1975 Series as provided in subdivision (2) of Section 4.06 on the earliest practicable date or dates on which the bonds of such series shall be redeemable, and the Company covenants that it will promptly call for redemption the bonds to be redeemed with such cash. All sums required for the payment of interest and premium in connection with the redemption of such bonds shall be furnished by the Company. So far as practicable, bonds of different series to be redeemed in accordance with the foregoing provisions of this paragraph shall be redeemed pro rata in accordance with the respective principal amounts of the then outstanding bonds of the particular series affected.

SECTION 6E.07. If the acquisition and construction of the Third Permian-San Juan Project shall be abandoned (it being understood that the Company shall have no right to abandon such acquisition or construction), or shall be unreasonably delayed, or if the Third Permian-San Juan Project shall not be completed on or before January 1, 1961, subject, in any case other than abandonment, to delays due to *force majeure*, the Trustees, or either of them, may in the discretion of the Corporate Trustee complete the acquisition and construction of the Third Permian-San Juan Project and for such purposes the Trustees, or either of them, may in their absolute discretion make any and all necessary contracts with contractors or construction engineers for work, labor or materials in the name of the Company, and may sign the name of the Company as its attorneys or attorney in fact, hereby irrevocably