

the Company, gas cannot be produced in commercial quantities on an economically feasible basis from the leases, leaseholds, rights or interests therein in such area, or from the part thereof surrendered, transferred, released or reassigned, or (ii) the leases, leaseholds, rights or interests therein in such area, or the portion thereof surrendered, transferred, released or reassigned, cannot, in the opinion of the Company, advantageously be developed, or further developed, by the Company, or (iii) the Company is required to surrender, transfer, release or reassign such leases, leaseholds, rights or interests therein pursuant to one of said Sales Contracts and Operating Agreements, the Company having the right to consider all leases, leaseholds, rights or interests therein constituting a given area as one group and also to take into account, with respect to any part of a given area, the development obligations of the Company with respect to the entire area; or (B) any of the leases, leaseholds, rights or interests covered by the Assignment Contract between the Company, as successor to Pacific, and Phillips Petroleum Company, dated January 9, 1953, or by the Assignment Contract between the Company, as successor to Pacific, and Colorado Oil & Gas Corporation, dated March 2, 1953, as each contract has been amended, if the Company is required or permitted, under the provisions contained in such respective contracts, to reassign to the other contracting party a portion of the interests in the lease and leaseholds acquired by the Company from such other party; provided that, in case of any such surrender, transfer, release or reassignment by the Company, the Company shall promptly file with the Corporate Trustee a certificate of the Company, dated within ten days of the date of such filing, setting forth the facts on the basis of which there has been compliance with the requirements of this subdivision (12) and an opinion of counsel to the effect that, based upon such certificate of the Company, such surrender, transfer, release or reassignment is required or permitted by the applicable designated contract."

SECTION 21. Section 8.03 of the Mortgage is hereby modified

(a) by striking out the words and figures appearing in the first parentheses in the first sentence of said Section and inserting in lieu thereof the following:

"(except purchase money obligations of the character mentioned in Section 8.04, shares of the Common Stock of