

(f) by changing the words "are located on lands held by the Company under permits from federal, state, municipal or other public authorities or under leases," appearing in the present last paragraph of said Section, to read as follows:

"are located on lands held by the Company under leases or permits from federal, state, municipal or other public authorities or covering any Indian lands, or under leases of private property,"; and

(g) by inserting at the end of said Section a new paragraph reading as follows:

"The term 'Indian lands' means any lands held in trust by the United States of America for individual Indians or Indian tribes, communities, bands or nations, or any lands owned, subject to restrictions against alienation imposed by statute or regulation, by individual Indians or Indian tribes, communities, bands or nations."

SECTION 5. Section 1.10 of the Mortgage is hereby modified

(a) by striking out the second, third and fourth sentences of the fourth paragraph of said Section and inserting in lieu thereof the following:

"The gross retirements in respect of any retired property, other than gas production property, shall be (a) in the case of bondable additions which shall have been made the basis of the issuance of bonds or the withdrawal of cash or the release of property hereunder, the cost or fair value to the Company, whichever is less, of such bondable additions at the time the same were made the basis of such issuance or withdrawal or release, (b) in the case of property acquired by the Company from Pacific upon the merger of Pacific into it which was recorded in the fixed property accounts of Pacific immediately prior to such merger, or property acquired by the Company from Northwest Production Corporation under the circumstances contemplated in clause (p) of the third paragraph of Section 1.09, the net depreciated and/or depleted book value of such property (estimated if not separately shown) as shown or reflected on the books of Pacific or Northwest Production Corporation, as the case may be, immediately prior to such merger or acquisition, and (c) in the case of any other property, the cost thereof to the Company. The cost to the Company of any property acquired by the Company from Pacific upon such merger which was not recorded