

SECTION 6. Section 1.12E of the Mortgage is hereby modified by changing the words "all as described generally in Part I of Article Three of the Twenty-sixth Supplemental Indenture", which appear immediately following subdivision (h) of the first paragraph of said Section, to read as follows:

"all as described generally in Part I of Article Three of the Twenty-sixth Supplemental Indenture, as modified by the Thirty-ninth Supplemental Indenture".

SECTION 7. Section 1.13A of the Mortgage is hereby modified to read as follows:

"SECTION 1.13A. The term 'gas production expenditures' shall include and mean, without duplication, the sum of

(a) all costs to the Company of the acquisition of gas leasehold estates covering proven gas acreage, as defined in Section 1.13, other than Pacific acreage as defined in this Section, whether such acreage at the time of the acquisition thereof by the Company was proven gas acreage or unproven gas acreage, and

(b) all expenditures on account of the exploration for gas on and/or the development of gas production from gas acreage, including Pacific acreage, covered by gas leasehold estates acquired and owned by the Company (including acreage located in any unitized area or in any communitized tract which is being developed pursuant to a unitization or communitization agreement to which the Company is a party, whether such acreage has been subjected thereto by the Company or by another) which at the time of certification of such expenditures hereunder is proven gas acreage as defined in Section 1.13, made by the Company after the date of acquisition by the Company of the gas leasehold estates covering such gas acreage, and whether made directly or indirectly through the payment or reimbursement by the Company of expenditures made by others, including without limitation expenditures for seismographic or other geophysical surveys or work, the clearing and/or preparation of well sites, the building of access roads into or on such acreage, well drilling expenses tangible or intangible, including the cost of pipe, casing, tubing and other appliances, equipment and materials placed in or on or