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BOOK 51 PAGE 134

NORTHWEST PIPELINE CORPORATION

TO

CHEMICAL BANK

AND

FRANCIS J. FARRELL

Trustee

Indenture of Mortgage and Deed of Trust

Dated as of January 31, 1973

This Instrument Contains  
After-Acquired Property Provisions



Return To:  
John Fleming  
Corporate Trust Department  
Chemical Bank  
20 Pine Street  
New York, New York 10005

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Dated as of January 31, 1974

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\* This Table of Contents does not constitute part of the Indenture or have the bearing upon the interpretation of any of its terms and provisions.



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**INCENTURE OF MORTGAGE AND DEED OF TRUST**, dated as of January 31, 1974, by and between NORTHWEST PIPELINE CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter called the Company), party of the first part, and CHEMICAL BANK, a corporation duly organized and existing under the laws of the State of New York, as corporate trustee (hereinafter called the Corporate Trustee), and FRANCIS J. FARNETT, an individual trustee (hereinafter called the Individual Trustee), the Corporate Trustee and the Individual Trustee being hereinafter sometimes called the Trustees), parties of the second part:

**WITNESSETH THAT:**

WHEREAS, the Company is authorized by law, and deems it necessary, to incur indebtedness for its proper corporate purposes and to issue its bonds (to be known generally as its First Mortgage Pipeline Bonds); and to mortgage and pledge its property hereinafter described as security for the payment of such bonds and to that end has duly authorized the issuance of its bonds to be issued in fifteen series as hereinafter provided; and

WHEREAS, the amount of bonds of the Company which may be issued under and secured by this Incenture is limited to an aggregate of \$83,531,000 principal amount of such series and in such principal amounts as hereinafter provided; and

WHEREAS, the United States District Court for the District of Colorado has, by the final judgment and decree in a proceeding entitled *United States v. El Paso Natural Gas Company*, 358 F. Supp. 820 (D. Colo. 1972), affirmed by the United States Supreme Court in *California-Pacific Utilities Co. v. United States*, 410 U.S. 902 (1973), and modified and further implemented by an order issued October 19, 1973, directed that El Paso Natural Gas Company, a Delaware corporation (hereinafter called El Paso), divest itself of, and transfer to the Company, that portion of its properties known as the Northwest Division Properties (as hereinafter defined); and

WHEREAS, the Federal Power Commission has issued its Certificate of Public Convenience and Necessity authorizing the Company to acquire such of the Northwest Division Properties as to which such a Certificate is required, and to engage in the transportation and sale of natural gas in interstate commerce; and

WHEREAS, to carry out such negotiation, the Company has entered into an agreement, dated August 7, 1973, as amended (hereinafter sometimes called the Implementing Agreement), with El Paso, Alaska Interstate Company, an Alaska corporation, APCO Oil Corporation, a Delaware corporation, Gulf Interstate Company, a Delaware corporation, and The Tipperary Corporation, a Texas corporation, which contemplates among other things, issuance by the Company of \$2,831,000 principal amount of its bonds upon surrender for cancellation of outstanding first mortgage pipe line bonds of El Paso in an amount equal to the principal amount; and

WHEREAS, pursuant to the Implementing Agreement and Bond Exchange Agreements dated as of January 15, 1974 (hereinafter called the Bond Exchange Agreements), among the Company, El Paso and certain holders of first mortgage pipe line bonds of El Paso, the Company has determined and agreed to issue fifteen series (hereinafter called the Several Series) of its bonds to be issued under this Indenture, all designated as First Mortgage Pipe Line Bonds and bearing the further serial designations and limited to the respective aggregate principal amounts set forth below, namely:

Series		Principal Amount
4 1/8 %	Series due 1974.....	\$ 82,000
4 1/8 %	Series due 1974.....	149,000
5 1/8 %	Series due 1975.....	1,451,000
4 3/8 %	Series due 1975.....	3,000,000
4 1/8 %	Series due 1977.....	2,296,000
5 1/8 %	Series due 1977.....	1,976,000
5 3/8 %	Series due 1980.....	7,380,000
5 1/8 %	Series due 1982.....	4,897,000
5 1/8 %	Series due 1984.....	6,320,000
Second 5 1/8 %	Series due 1984.....	9,501,000
5.075%	Series due 1984.....	4,103,000
4.675%	Series due 1984.....	21,984,000
Second 4.675%	Series due 1984.....	4,464,000
5.025%	Series due 1984.....	6,171,000
6 %	Series due 1980.....	7,084,000

and the Company desires to set forth the terms and provisions of the bonds of each said series; and

WHEREAS, the provisions of the bonds of each of the Several Series are set forth in Articles Three and Three A of this Indenture; and



Whereas, all conditions and actions necessary to authorize the execution, acknowledgment and delivery of this Indenture and the execution, authentication and delivery of the bonds to be issued hereunder have been complied with and taken;

Now, Therefore, This Indenture Witnesseth:

That, in order to secure equally and ratably the payment of the principal, interest and premium, if any, of the bonds issued under this Indenture and secured hereby at any time outstanding, according to their tenor and effect, and the performance of all the covenants and conditions herein and in said bonds contained, said Northwest Pipeline Corporation, for and in consideration of the premises and of the acquisition and acceptance of said bonds by the holders thereof and of the sum of one dollar (\$1.00) and of other valuable consideration to it duly paid by the Trustees at or before the execution and delivery of these presents, the receipt whereof is hereby acknowledged, has executed and delivered these presents, and has granted, bargained, sold, conveyed, transferred, pledged, assigned, remised, released, mortgaged, set over and confirmed, and by these presents does grant, bargain, sell, convey, transfer, pledge, assign, remise, release, mortgage, set over and confirm unto the Trustees and to their successors in the trusts hereby created and to their assigns the following described property (other than excepted property) to wit:

#### FIRST

##### PIPE LINE SYSTEMS AND RELATED EXPOSURES

All property, real, personal or mixed, tangible or intangible, of every kind, character and description and wherever located, whether owned on the effective date of this Indenture or thereafter acquired by the Company, including, but without limiting the generality of the foregoing, all main pipe lines, branch pipe lines, gathering pipe lines, pipe line suspension bridges, compressor stations, pumping stations, gas treating plants, reservoirs and other property of whatsoever kind used or useful in the business of the Company, and particularly the properties situated in the States of Colorado, Idaho, New Mexico, Oregon, Utah, Washington and Wyoming owned by the Company and specifically described in Schedule I annexed hereto and the franchises, permits, licenses, consents, easements, privileges, rights of way, grants, surface rights and surface easements specifically described in Schedule I-I annexed hereto.

## SECOND

## GAS LEASES AND RIGHTS

All the right, title and interest of the Company under, in and to all proven gas acreage, as defined in Section 1.12 hereof, whether owned on the effective date of this Indenture or thereafter acquired by the Company, including, but without limiting the generality of the foregoing, all gas leasehold estates, as defined in said Section 1.12, covering proven gas acreage and particularly the gas leasehold estates specifically described in Schedule II annexed hereto; and all pipe, casing, tubing, machinery, appliances, equipment, fittings, fixtures and other property owned on the effective date of this Indenture or thereafter acquired by the Company and installed in or upon such proven gas acreage.

## THIRD

## CONTRACTS FOR THE PURCHASE OF GAS

All the right, title and interest of the Company under, in and to (1) the contracts for the purchase of gas by the Company specifically described in Schedule III annexed hereto, copies of which have been heretofore delivered to the Corporate Trustee; and (2) every other contract entered into or assumed by the Company before or after the effective date of this Indenture for the purchase of gas (other than casinghead gas) under which (a) the Company has or shall have a firm obligation to purchase, or the other has or shall have a firm obligation to sell to the Company, one and one-half billion cubic feet of gas or more during any period of twelve consecutive calendar months or less, or (b) the Company has or shall have purchased one and one-half billion cubic feet of gas or more during any period of twelve consecutive calendar months, provided that in either such case the contract in question by its terms is to continue in force, or at the election of the Company may be continued in force, either for a fixed period of at least two years or for an indefinite or indeterminate period measured by the life of a well or wells.

## FOURTH

## CONTRACTS FOR THE SALE OF GAS

All the right, title and interest of the Company under, in and to (1) the contracts for the sale of gas by the Company specifically described in Schedule IV annexed hereto, copies of which have been heretofore delivered to the Corporate Trustee; and (2) every other contract entered into or assumed by the Company before or after the effective

date of this Indenture for the sale of gas by the Company under which the Company during any period of twelve consecutive calendar months has or shall have sold gas for an aggregate gross price of more than \$200,000.

#### FIFTH

##### GAS EXCHANGE AND/OR TRANSPORTATION CONTRACTS AND OPERATING AGREEMENTS

All the right, title and interest of the Company under, in and to the Gas Exchange and/or Transportation Contracts and Operating Agreements specifically described in Schedule V annexed hereto, copies of which have been heretofore delivered to the Corporate Trustee, and in and to every other such contract or agreement of a similar nature entered into or assumed by the Company before or after the effective date of this Indenture.

#### SIXTH

##### PLEDGED SECURITIES

All the right, title and interest of the Company in and to all shares of stock of any subsidiary, and all bonds, notes or other evidences of indebtedness of any subsidiary specifically required by the provisions of this Indenture to be pledged hereunder, whether owned on the effective date of this Indenture or thereafter acquired by the Company.

#### SEVENTH

##### MONEY DEPOSITED HEREUNDER

All moneys deposited or required by the provisions of this Indenture to be deposited hereunder.

#### EIGHTH

##### OTHER PROPERTY

Together with but not limited to (a) all the buildings, plants, dwelling structures, machinery and improvements constructed and to be constructed on the properties described in Granting Clause First hereof or in the Schedules of Mortgaged Properties annexed hereto, or any portion thereof, or on any lands purchased or acquired by the Company after the effective date of this Indenture and all rights, privileges, licenses, permits, immunities and easements of any kind and nature appurtenant thereto, and all other fixed properties owned at the effective date of this Indenture or thereafter acquired by the Company, and

all and singular the tenements, hereditaments and appurtenances whatsoever belonging to said properties or any part thereof or in any wise appertaining thereto, and the reversions, remainders, rents, issues and profits thereof, whether any of the same are at the effective date of this Indenture owned or are thereafter acquired by the Company; (b) all buildings, plants, systems, works, improvements, reservoirs, compressor stations, metering stations, regulator stations, gas purification plants, dehydration plants, pipes and pipe lines, branch lines, gathering lines, main, river crossings, tanks, holders, railway tracks, rigs, casings, valves, compressors, meters, regulators, pumps, pumping machinery, tools, implements, poles, conductors, submersible conduits, ducts, stations, machinery, telephone lines, cables, apparatus, equipment, instruments, wiring connections and appliances, radio and microwave stations and facilities, water supply lines and systems, cathodic protection units, windmills, rectifiers, generators and ground beds, and all other structures, apparatus, fixtures, implements and equipment of every nature and kind whatsoever, whether owned on the effective date of this Indenture or thereafter acquired, pertaining to or used in or useful in the operation of the gas pipe lines of the Company and their appurtenances or in the business of producing, gathering, supplying, transporting or distributing gas, or in any business incidental thereto; and (c) any and all estate, rights of way, easements, franchises, ordinances, privileges, immunities, commissions, consents, permits, leases, licenses and license agreements, owned on the effective date of this Indenture or thereafter acquired by the Company, together with all the appurtenances, rights and appliances, connected with and/or appertaining to the properties described in Granting Clause First hereof or in the Schedules of Mortgaged Properties annexed hereto, which the Company owns or in which it has any interest on the effective date of this Indenture or which it may thereafter acquire, or any part thereof.

Also all other real property and appurtenances thereto, and all the rights, easements, rights of way and franchises, which the Company owns or in which it has any interest on the effective date of this Indenture or which it may thereafter acquire or which may be held by the Company, of whatsoever kind or description, including all estates, rights, titles, reversions or remainders, corporeal or incorporeal, as well in equity as in law, wherever situate and whether herein particularly described or not, it being the intention to include herein all real property and appurtenances and fixtures thereunto appertaining of every sort and nature which the Company owns on the effective date

of this Indenture or which it may thereafter at any time acquire and wheresoever situated; together with all and singular the tenements, hereditaments, franchises, powers, privileges, commitments and appurtenances to any of said properties belonging or in any wise appertaining, and all franchises of the Company and all permits, ordinances, easements, privileges, immunities and licenses to construct, maintain and operate underground or other systems for the transportation or the supply to itself or others of natural gas; all rights of way, all grants and consents; whether said property, rights, tenements, hereditaments, franchises, powers, privileges, commitments, appurtenances, immunities, licenses, rights of way, grants and consents are owned on the effective date of this Indenture or may thereafter be acquired, owned, held or enjoyed by the Company, and all the rents, issues and profits arising or to arise therefrom.

It is the intention and it is hereby agreed that all property, real, personal and mixed (other than excepted property), owned on the effective date of this Indenture or thereafter acquired by the Company and wheresoever situated, shall be as fully embraced within the provisions of this Indenture and subject to the lien hereby created as if said property were all owned by the Company on the effective date of this Indenture and were specifically described herein and conveyed hereby.

#### NINTH

##### PROPERTY HEREBY SPECIFICALLY DESCRIBED

Any and all property of every name and nature, including excepted property, which from time to time after the effective date of this Indenture, by delivery or by writing of any kind for the purposes hereof, shall have been conveyed, mortgaged, pledged, assigned or transferred by the Company or by anyone on its behalf or with its consent to the Trustees, or either of them, who are hereby authorized to receive at any and all times any property as and for additional security for the payment of the bonds issued under this Indenture and to hold and apply such property subject to and in accordance with the trusts of this Indenture.

##### EXCEPTED PROPERTY

Notwithstanding the generality of the foregoing Granting Clauses there is expressly excepted and excluded from the lien and operation of this Indenture, unless and until specifically subjected to the lien

hereof, the following described property of the Company whether owned on the effective date of this indenture or thereafter acquired (hereinafter referred to as "excepted property"):

- (a) all gas in pipe lines or processing or treating plants and gas placed in storage in any underground or other reservoir, whether or place used for the storage of gas, all liquid petroleum products resulting or derived from the production or processing of natural gas, and all oil and associated gas and products thereof or derivatives therefrom;
- (b) all gas purchase contracts and all gas sales contracts and all rights and interests therein and thereunder, other than those specifically pledged hereunder or required so to be by reason of Lending Clauses Third and Fourth hereof;
- (c) all oil, by-product and petrochemical properties, as defined in Section 1.129 hereof, and all metallic and mineral properties, as defined in Section 1.129 hereof;
- (d) all of the debt, title and interest of the Company in, to and under any approved gas acreage as defined in Section 1.131 and all property included by the Company in or upon such approved gas acreage, but only in the case of a gas leasehold estate also covering proven gas acreage, to the extent that the Company's right, title and interest in the proven and approved gas acreage covered thereby are severable;
- (e) all materials and supplies and all tools and equipment (including drilling rigs, drilling platforms and derrick cranes) not installed as part of the fixed property of the Company;
- (f) all other furniture, equipment and supplies;
- (g) all railroad cars and rolling stock and all motor cars, automobiles, auto trucks, trailers, bulldozers and other automotive equipment and all aircraft;
- (h) all cash (other than cash deposited or required by any provision of this Indenture to be deposited with the Trustee or either of them), accounts receivable and other choses in action, other than those specifically pledged hereunder or required so to be;
- (i) all bonds, notes and other evidences of indebtedness and shares of stock and certificates of interest and other securities, other than those specifically pledged hereunder or required so to be; and
- (j) all real property or interests therein (including gas leasehold estates, whether covering unproven or proven gas

sewerage) and all pipe lines, plants, structures and other physical properties of any kind or character situated outside the continental limits of the United States of America, provided that any tideland or offshore areas adjacent to any State of the United States of America, over which the Government of such State or the Government of the United States of America asserts jurisdiction, shall be deemed included within such continental limits;

provided, however, that (A) if upon the occurrence and during the continuance of any event of default as defined in Article Nine of this Indenture, the Trustees or either of them or any receiver or trustee or any governmental body, agency or authority appointed or acting pursuant to statutory provisions or by order of a court shall have entered into possession of the trust estate or a substantial part thereof (other than securities or cash held by the Trustees or either of them as part of the trust estate), such of the property excepted from the lien of this Indenture by the foregoing provisions of this paragraph or by the provisions of any indenture supplemental hereto as constituting rents, issues and profits of the trust estate shall immediately become subject, to the extent permitted by law, to the lien of this Indenture; and (B) whenever all events of default shall have been cured and the possession of the trust estate (other than any securities or cash held by the Trustees or either of them as part of the trust estate) shall have been restored to the Company, any property which shall have become subject to the lien of this Indenture solely by reason of the provisions of the foregoing clause (A) shall again be excepted and excluded from the lien of this Indenture.

However, notwithstand, to exceptions and reservation and matters herein recited, and to permitted encumbrances, as defined in Section 114 hereof, and subject further, as to any property (other than the Northwest Division Properties) acquired by the Company, to any lien or encumbrance thereon existing, and to any lien for unpaid portions of the purchase money placed thereon, at the time of such acquisition.

TO HAVE AND TO HOLD all said properties, real, personal and mixed, hereby mortgaged, pledged and conveyed or assigned or intended so to be, and any and all other properties of every kind and nature that by virtue of any provision hereof may hereafter become subject to the lien of this Indenture, unto the Trustees and their successors and assigns forever, subject, however, as aforesaid;



IN TRUST, NEVERTHELESS, under and subject to the conditions hereinafter set forth, for the equal proportionate benefit and security of all and each and every one of the bonds issued hereunder and secured hereby in accordance with the provisions of this Indenture, without preference, priority or distinction as to lien of any bond over the others by reason of priority in time of the issue, sale or negotiation thereof or by reason of the purpose of its issue or otherwise howsoever, subject to the terms, conditions, provisions and agreements hereinafter set forth;

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Company or its successors or assigns shall pay or cause to be paid the principal and interest (and premium, if any) to become due in respect of all the bonds at the times and in the manner stipulated therein and herein, and all and singular the covenants and promises in the bonds and in this Indenture are duly kept, performed and observed, then this Indenture and the estate and rights hereby granted shall cease, determine and be void; otherwise they shall remain and be in full force and effect;

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED by the Company that all the bonds are to be issued, authenticated and delivered, and that all the mortgaged property is to be held, subject to the further covenants, conditions uses and trusts hereinafter set forth, and the Company, for itself and its successors and assigns, does hereby covenant and agree to and with the Trustees and their successors in said trust for the benefit of those who shall hold the bonds or any of them, as follows.

## ARTICLE ONE.

### DEFINITIONS AND CONSTRUCTIONS AND CERTAIN OTHER GENERAL PROVISIONS.

SECTION 1.01. Unless otherwise apparent from the context, the terms mentioned in the following Sections of this Article, as used in this Indenture, are to be construed as in said respective Sections provided.

Except when otherwise indicated or provided, words in the singular number include the plural as well as the singular number and vice versa.



Section 1.02. The term "Company" means the party of the first part hereto, and any and all corporations successor thereto pursuant to the provisions of Article Thirteen.

The term "affiliate" means, with respect to any corporation, any person directly or indirectly controlling or controlled by or under direct or indirect common control with such corporation. The term "control" (including the terms "controlled by" or "under common control with") means the power to direct the management and policies of a person, directly or through one or more intermediaries, whether through the ownership of voting securities, by contract or otherwise.

The term "subsidiary" means any corporation whose principal business is the production, supply, transportation or distribution of gas and/or liquid hydrocarbons, at least 50% of the outstanding capital stock of which is owned directly or indirectly by the Company of record or beneficially and in which there has been invested by the Company, directly or indirectly, more than \$100,000, and any corporation (other than the Company) successor to any such subsidiary. The term "subsidiary" shall not include, however, (a) Pacific Northwest Realty Corporation, a Delaware corporation, (b) any corporation, all of the outstanding capital stock (other than directors' qualifying shares, if any) of which is owned by the Company, if 80% or more of the capital stock of such corporation outstanding at the time the Company first became the owner of all the outstanding capital stock of such corporation (other than directors' qualifying shares, if any) was acquired by the Company solely through the issuance in exchange therefor of shares of stock of the Company of any class or classes and/or through the application of proceeds of the substantially simultaneous sale by the Company of shares of its stock of any class or classes, (c) any corporation substantially all of whose physical assets (other than cash, securities, accounts receivable and other choses in action and office furniture and equipment and other similar personal property) are located in any country or countries other than the United States of America, or (d) any corporation successor to any corporation described in clause (a), clause (b) or clause (c) of this sentence which prior to such succession was not a subsidiary as herein defined.

The term "business day" shall mean any day which is not in The City of New York a legal holiday for banking institutions or a day on which banking institutions are authorized by law to close.







and amended and further implemented by an order dated October 19, 1973, and pursuant to the Implementing Agreement, including, but without limitation, all such property, rights and interests described or referred to in Article I to V amended hereto.

Section 1.13. The terms "Trustee" means Chemical Bank and Francis J. Farrell, the parties of the second part hereto, and their successors in the trust pursuant to the provisions of Article Ten. The term "Corporate Trustee" means said Chemical Bank and its successors as aforesaid. The term "Individual Trustee" means said Francis J. Farrell, and his successors as aforesaid.

The term "corporate trust office" means the office of said corporate trust business of the Corporate Trustee, from time to time, which office on the date of execution of this Indenture is located at 31 Pine Street, New York, New York 10270.

Section 1.14. The terms "bond" and "bonds" shall mean all bonds being issued under and covered by this Indenture.

The terms "bond of the 1974 Series" and "bonds of the 1974 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 1974 Series No. 1" provided for in Article Three of, and authenticated and delivered under this Indenture.

The terms "bond of the Several 1974 Series" and "bonds of the Several 1974 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 1974 Series No. 1" provided for in Article Three of, and authenticated and delivered under this Indenture.

The term "Several 1974 Series" means the series known above as the Series as actually referred to, including at any time any such as one of the bonds of which at any time have ceased to be outstanding within the meaning of this Indenture, and the terms "bond of the Several 1974 Series" and "bonds of the Several 1974 Series" shall mean a bond or bonds of any of the Several 1974 Series.

The terms "bond of the 1973 Series" and "bonds of the 1973 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 1973 Series No. 1" provided for in Article Three A of, and authenticated and delivered under this Indenture.



The terms "bond of the Second 1975 Series" and "bonds of the Second 1975 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 4 1/2% Series due 1975" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the 1977 Series" and "bonds of the 1977 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 4 1/2% Series due 1977" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the Second 1977 Series" and "bonds of the Second 1977 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5 1/2% Series due 1977" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the 1980 Series" and "bonds of the 1980 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5 1/2% Series due 1980" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the 1982 Series" and "bonds of the 1982 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5 1/2% Series due 1982" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the 1984 Series" and "bonds of the 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5 1/2% Series due 1984" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the Second 1984 Series" and "bonds of the Second 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, Second 5 1/2% Series due 1984" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the Third 1984 Series" and "bonds of the Third 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5.076% Series due 1984" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the Fourth 1984 Series" and "bonds of the Fourth 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 4.675% Series due 1984" provided for in Article Three A, of, and authenticated and delivered under, this Indenture.

The terms "bond of the Fifth 1984 Series" and "bonds of the Fifth 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, Second 4.675% Series due 1984" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The terms "bond of the Sixth 1984 Series" and "bonds of the Sixth 1984 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 5.0235% Series due 1984" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The term "Several 1984 Series" means the six series last above in this Section specifically referred to (excluding at any time any such series all of the bonds of which shall at such time have ceased to be outstanding within the meaning of this Indenture), and the terms "bond of the Several 1984 Series" and "bonds of the Several 1984 Series" mean a bond or bonds of the Several 1984 Series.

The terms "bond of the 1986 Series" and "bonds of the 1986 Series" mean a bond or bonds of the series designated "First Mortgage Pipe Line Bonds, 6% Series due 1986" provided for in Article Three A of, and authenticated and delivered under, this Indenture.

The term "Sinking Fund Series" means collectively all the thirteen series in this Section last above specifically referred to (excluding at any time any such series all of the bonds of which at such time have ceased to be outstanding), and the terms "bond of the Sinking Fund Series" and "bonds of the Sinking Fund Series" mean a bond or bonds of the Sinking Fund Series.

The term "Several Series" means collectively all the fifteen series hereinabove in this Section specifically referred to (excluding at any time any such series all of the bonds of which shall at such time have ceased to be outstanding), and the terms "bond of any of the Several Series" and "bonds of the Several Series" mean a bond or bonds of the Several Series.

The term "outstanding" when used with reference to bonds means, as of any particular time, all bonds theretofore authenticated and delivered by the Corporate Trustee hereunder, except (a) bonds theretofore cancelled or surrendered to the Corporate Trustee for cancellation, (b) bonds for the payment or redemption of which sufficient cash shall have theretofore been deposited and, subject to the provisions of Section 5.03, shall then remain on deposit in trust with the Corporate Trustee, provided that in case of the deposit of cash for the redemption of bonds, notice of such redemption shall have been given as provided in Article Five, or provision satisfactory to the Corporate Trustee made for giving such notice and (c) bonds in lieu of and in substitution for which other bonds have been authenticated and delivered pursuant to the terms of Section 2.11 of this Indenture; provided, however, that in determining the percentage of the principal amount of bonds outstanding or bonds of a particular series outstanding entitling the holders thereof to give any consent or direction or to take any action hereunder, bonds legally or equitably owned by the Company or a controlling corporation or by any affiliate of the Company or any controlling corporation shall be disregarded, except that for the purpose of determining whether the Trustees shall be protected in relying upon any such direction or consent, only bonds which the Trustees knew to be so owned shall be so disregarded.

Section 1.05. The terms "trust estate", "mortgaged property" and "mortgaged properties" are synonymous and mean any and all properties, rights, interests and franchises, of every kind and character, now or hereafter subject to the lien of this Indenture or intended or required to be made subject thereto, including cash and/or securities deposited or pledged with the Trustees or either of them.

Section 1.06. The term "majority" means majority in amount, whether or not so expressed; and the term "amount of bonds" means principal amount of bonds.

Section 1.07. The term "holder" in respect of any bond or bonds means the registered owner of any bond. The term "registered owner" shall mean the person or persons in whose name or names the particular bond or bonds shall be registered on the registration books of the Company kept for that purpose.

SECTION 1.08. The term "engineer" means an individual, a co-partnership or a corporation engaged in an engineering or appraisal business or otherwise qualified to pass upon engineering or appraisal matters satisfactory to the Corporate Trustee and who may be a person or firm regularly retained or employed by the Company.

The term "counsel" means a person or firm engaged in the practice of law, satisfactory to the Corporate Trustee, who may be a person or firm regularly retained or employed by the Company.

The term "accountant" means an individual certified public accountant or firm of certified public accountants engaged in the accounting and auditing business.

The term "geologist" means an individual, a co-partnership or a corporation engaged in the business of petroleum geology or otherwise qualified to pass upon petroleum geology matters.

The term "independent", when applied to any accountant, counsel, engineer or geologist, means such a person or firm satisfactory to the Corporate Trustee, who may be selected and paid by the Company but who (1) is in fact independent, (2) does not have any substantial interest, direct or indirect, in the Company or any controlling corporation or in any affiliate of the Company or any controlling corporation, (3) is not connected with the Company or any controlling corporation or any affiliate of the Company or any controlling corporation as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions; and (4) if an accountant is of recognized national standing, provides that the holders of not less than a majority in principal amount of the bonds at the time outstanding shall have the right, by instrument in writing delivered to the Company and the Corporate Trustee, to disapprove of any independent accountant, counsel, engineer or geologist selected by the Company, and to require the designation by the Company of another independent accountant, counsel, engineer or geologist satisfactory to them.

SECTION 1.09. The term "right of way" means any right of way, easement, lease, permit, license, franchise or other right for the construction, maintenance or operation of gas or products pipe lines (other than oil pipe lines), telephones, telegraph and teletype lines, radio communication facilities and equipment, power lines and water lines, and metering stations, regulating stations, valves, meters, regula-





pipeline systems into field storage tanks or reservoirs or for transporting the same from such storage tanks or reservoirs to any plant coming within the terms of clause (A) or clause (B) of this paragraph or for the transportation of such products between plants coming within the terms of clause (A) or clause (B) of this paragraph, or from any such plant to railroad loading racks or sidings or to a connection with an interstate or other long-distance pipe line for the transportation of natural gasoline and/or other liquefied hydrocarbons or by-products to market areas, and all pumping stations and other facilities and equipment appurtenant to such pipe lines, and (C) any tanks, receptacles or other facilities, including underground reservoirs or wells, used or useful for the storage of natural gasoline or other liquefied hydrocarbons or by-products produced with or derived from natural gas produced or purchased by the Company for use in its natural gas pipeline systems, located at points in or adjacent to any field or fields from which is produced the natural gas from which or in conjunction with which such natural gasoline or other liquefied hydrocarbons or by-products are obtained or located on or under the site of or connected with any plant coming within the terms of clause (A) or clause (B) of this paragraph or located on or under the site of or connected with any railroad loading rack or railroad siding at point of connection with an interstate or other long-distance pipe line to which extends any pipe line coming within the terms of clause (C) of this paragraph, and all pipe lines, pumps and other equipment or facilities necessary or incidental to the collection or injection of such products into or the withdrawal thereof from such tanks, reservoirs, wells, or other facilities or receptacles.

Section 1.11. 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 restriction, as such alienation imposed by statute or regulation, by individual Indians, Indian tribes, communities, bands or nations.

Section 1.12. The term "proven gas acreage" means acreage known to contain natural gas in commercial quantities either through the existence thereon of a completed gas well producing natural gas in commercial quantities or a shut-in well capable of producing natural gas in commercial quantities or through the existence of such a well or other acreage located on the same reservoir.

The term "unproven gas acreage" means gas acreage which does not constitute proven gas acreage as defined in this Section.

The term "gas leasehold estate" means and includes (i) a gas lease under which the lessee has the right to explore for, produce and dispose of the lessee's interest in gas or an undivided interest therein, (ii) where a gas lease and/or operating agreement has been subjected to a unitization or communitization agreement providing for the sharing by the Company and others of production expenditures and the benefits of development upon a proportionate basis in accordance with established practice for similar joint operations, the resulting interest of the Company under such unitization or communitization agreement, (iii) an operating agreement made by a lessee under a gas lease, under which the Company has the operating rights to explore for, produce and dispose of the Company's interest in gas and the right to possession of the lands covered thereby for such purpose, or (iv) ownership of gas mineral rights. Any gas interest under an oil and gas lease which is severable from the oil interest thereunder shall be deemed to be a gas lease. Any gas leasehold estate which covers both proven gas acreage and unproven gas acreage shall, for all purposes of this Indenture, be deemed to be an estate covering proven gas acreage to the extent that the acreage covered thereby is proven gas acreage and an estate covering unproven gas acreage to the extent that the acreage covered thereby is unproven gas acreage, provided that nothing in this sentence is intended to enlarge or restrict the effect of the Granting Clauses of this Indenture.

The term "gas well" means any well (a) which produces natural gas not associated or blended with oil at the time of production or (b) which produces more than 20,000 cubic feet of natural gas to each barrel of oil.

The term "oil well" means any well which produces only oil or which produces one barrel or more of oil to each 20,000 cubic feet of natural gas.

As used in the two preceding definitions, the term "oil" means any liquid hydrocarbon having a gravity of 50 or less degrees American Petroleum Institute scale.

In the event of any uncertainty or dispute as to whether any property is proven gas acreage or as to whether a well is a gas well

or an oil well, the determination of an independent geologist on such matter shall be conclusive and binding upon the Company, the Trustees and the holders of the bonds, and the Trustees may conclusively rely upon any such determination.

The term "casinghead gas" means gas produced from an oil well.

The terms "gas" and "natural gas" are synonymous and shall not include helium gas and, for purposes of the foregoing definitions of "proven gas acreage" and "gas leasehold estate", such terms do not include coal seam gas.

**Section 1.12A.** The term "gas production property" means and includes the interest of the Company under gas leasehold estates covering proven gas acreage, gas wells and all other property of the character described in the next succeeding paragraph, acquired or constructed through gas production expenditures.

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 1.12, 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 covered by gas leasehold estates acquired and owned by the Company (including acreage located in any unleased 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 expenditure hereunder is proven gas acreage as defined in Section 1.12, 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, equip-

ment and materials placed in or on or used in connection with gas wells, and expenditures for the testing, cleaning, stimulating and/or recompletion of gas wells.

No expenditures shall be included in gas production expenditures unless the same shall be properly chargeable to the fixed property accounts of the Company in accordance with sound accounting practice. When a well is completed as a dry hole, no expenditures made in drilling the same which have not theretofore been included in a certificate of the Company shall thereafter be included in gas production expenditures.

Section 1.12B. The term "oil, by-product and petrochemical properties" means: (i) all oil wells, oil leases and oil mineral rights or interests therein, any oil rights in oil and gas leases which are severable from the gas rights covered by the same leases, all royalties in or based upon the production of oil or casinghead gas from any oil leases or wells, and all contracts for the sale by the Company of oil or casinghead gas; (ii) all well, lease and mine equipment, fixtures and facilities of every kind held or used in the operation and maintenance of oil wells or the production of oil, including field separators and field storage tanks; (iii) all gathering lines, pipe lines, tanks, pumps, pumping stations, loading racks, tank cars, meters, metering, testing, regulating and/or measuring equipment and other property or facilities used in transporting, handling, metering, testing, measuring, storing, marketing or distributing oil, distillate, condensate, gasoline, or any products thereof or derivatives therefrom, or other liquefied hydrocarbons, other than integrated gasoline absorption property as defined in Section 1.10; (iv) all refineries, treating plants, processing plants, and other plants for the production, recovery, treating, refining, processing or manufacture by any means or methods of oil, condensate, distillate or gasoline or other hydrocarbons, including plants and facilities for the absorption or extraction of natural gasoline and other hydrocarbon by-products or components from natural gas, other than integrated gasoline absorption property; (v) all plants or facilities for the processing of a hydrocarbon into various chemical compounds by means of a change in molecular structure (commonly known and herein referred to as petrochemical plants); (vi) all machinery, fixtures, equipment, tools, personal property and accessories held or used in connection with any of the foregoing and not necessary for or used in connection with the Company's gas business; and (vii) all lands

of interests therein and all easements and rights of way which are acquired solely for and are used solely in connection with any of the foregoing operations, and all buildings, improvements and fixtures thereon and all equipment, furnishings, materials and supplies therein.

The term "oil, by-product and petrochemical properties" shall not include, however, (a) any property which constitutes integrated gasoline absorption property as defined in Section 1.10, (b) any building, warehouse or other structure not maintained or used solely in connection with the administration, operation or maintenance of properties or the conduct of operations of the character described in the first paragraph of this Section, (c) any oil interest of the Company in any gas well, or (d) any property which is or becomes subject to the lien of this Indenture and thereafter becomes property of the character described in the first paragraph of this Section unless and until such property shall have been released from the lien of this Indenture in accordance with the applicable provisions hereof.

The term "metallic and mineral properties" means (i) all lumps, minerals, and metallic or mineral ores, rocks, rare earths, and slates or deposits of any kind or character (other than oil or gas) and rights or interests therein; (ii) all mines, plants and other property held or used principally in exploring for, producing, manufacturing, processing, treating, refining, storing, transporting, handling, marketing or distributing any such substances; (iii) all machinery, tools, equipment, tools, personal property and accessories held or used principally in connection with any of the foregoing; and (iv) all lands or interests therein and all leases, operating agreements, easements and rights of way which are acquired solely for and are used solely in connection with any of the foregoing operations, and all buildings, improvements and fixtures thereon and all equipment, furnishings, materials and supplies therein.

The term "metallic and mineral properties" shall not include, however, (a) any building, warehouse or other structure not maintained or used solely in connection with the administration, operation or maintenance of properties or the conduct of operations of the character described in the next preceding paragraph of this Section; or (b) any property of the character described in the next preceding paragraph of this Section which on the effective date of this Indenture is subjected to the lien of this Indenture unless and until such property

shall have been released from the lien of this Indenture in accordance with the applicable provisions thereof.

**Section 1.13.** The term "this Indenture" means this Indenture of Mortgage and Debt of Trust dated as of January 31, 1974, as supplemented and modified from time to time by indentures supplemental thereto.

The term "effective date of the Indenture" means the Time of Closing (as defined in the Bond Purchase Agreements).

**Section 1.14.** The term "permitted encumbrances" means any and all of the following:

- (1) the Lien of this Indenture;
- (2) liens and encumbrances junior to the lien of this Indenture;
- (3) taxes for the then current year or which are not yet due;
- (4) taxes or liens imposed by assessments of governmental bodies, payment of which is due in installments over a period of years and payment of which is overdue, and taxes or assessments already due payment of which is being contested in good faith by the Company;
- (5) any right which any municipality or other governmental body or agency may have, by virtue of any franchise, grant, license, permit, contract or statute, to purchase or recapture or to designate a purchaser of or order the sale of any property of the Company upon payment of fair compensation therefor or to terminate any franchise, license or other right or to regulate the property or business of the Company; and any limitations or restrictions on the assignability of leasehold or other interests in or permits for the use of federal or Indian lands or on the qualifications of assignees thereof imposed by statute or by applicable regulations of any department of the government of the United States of America; provided that in the opinion of counsel such limitations or restrictions do not substantially impair the security afforded by and the enforceability of this Indenture;
- (6) undetermined liens and charges incidental to construction or siting operations which have not at such time been filed or asserted or the payment of which has been inadequately secured or which are inconsequential;



(7) (a) any lien or encumbrance, cash sufficient for the discharge of which has been deposited in trust with the Corporate Trustee hereunder or with the trustee or mortgagee under the instrument evidencing such lien or encumbrance, with irrevocable authority to the Corporate Trustee hereunder or to such other trustee or mortgagee to apply such cash to the discharge of such lien or encumbrance to the extent required for such purpose, and (b) the lien, if any, of judgments rendered against the Company as a result of claims for personal injuries, death or damages to properties in connection with the conduct of the business of the Company, where the validity or amount thereof is being contested in good faith through appropriate appellate proceedings and such judgments are protected against by supersedeas bonds; but only if and to the extent that the total amount of cash so deposited with the Corporate Trustee plus the total amount of all judgments so protected against does not exceed \$2,000,000 in the aggregate;

(8) any mortgage or other encumbrance constituting a lien upon land owned by another than the Company over which the Company has rights of way, existing at the effective date of this Indenture or as to rights of way thereafter acquired, existing at the date of such acquisition, or any mortgage or other encumbrance constituting a lien upon land owned on the effective date of this Indenture or thereafter acquired by the Company and used primarily for right of way purposes; provided that in each case the Company shall neither have nor shall it customarily pay interest upon the indebtedness secured by any such mortgage or other encumbrance;

(9) except with respect to gas production property, encumbrances (other than to secure the payment of money), easements, rights of way and servitudes, reservations as to permits, reservations and rights in respect of oil, gases and other minerals and water, including any rights as to mining operations under federal laws relating to multiple mineral development of the same tracts, or in respect of grazing, mining, canals, ditches, reservoirs and the like, conditions, covenants, party wall agreements or other restrictions, over, on or in respect of property or lands or estates owned by the Company or over which the Company owns rights of way, which encumbrances, easements, rights of way, servitudes, reservations, rights, conditions, covenants, agreements and restrictions are in the opinion of counsel such as not to substantially impair the effective operation by the Company of the property affected thereby for the purpose for which such property is or is intended to be used; and rights of way or easements granted or conveyed by the Company as permitted by subdivision (11) of Section 7.01;

(10) any mortgage or other lien securing obligations, all of the obligations secured by which are at the time pledged with the Corporate Trustee hereunder;

(11) any irregularities in or deficiencies of title to property which in the opinion of counsel the Company shall have power by appropriate legal proceedings to remedy without the incurring of disproportionate expense, or which in the opinion of counsel are such as not to impair substantially the effective operation by the Company of the property affected thereby for the purpose for which such property is or is intended to be used, or any irregularities in or deficiencies of title to property (other than gas production property) which in the opinion of counsel the Company shall have the right to use and operate by reason of adverse possession or right of prescription;

(12) any irregularities in or deficiencies of title to any rights of way in, over or under which pipe lines, telephone lines, power lines, water lines and/or appurtenances thereto or other improvements are located, and to any real estate used or to be used primarily for right of way purposes, provided that in the opinion of counsel the Company shall have obtained from the apparent owner of the lands or estates therein covered by any such right of way a sufficient right, by the terms of the instrument granting such rights of way, to the use thereof for the construction, operation or maintenance of such lines, appurtenances or improvements for which the same are used or are to be used;

(13) in respect of gas production property, rights of third parties in the surface, easements, rights of way and servitudes, reservations as to grazing, mining, reclamation projects, rights and reservations in respect of helium gas and all minerals other than natural gas and rights as to mining operations permitted by federal laws relating to multiple mineral development of the same tracts, which in the opinion of counsel are such as to not substantially impair the effective operation by the Company of the property affected thereby;

(14) in respect of gas production property,

(a) any and all rentals, royalties, overriding royalties or production payments (whether payable in kind or in money), reservations, liens or encumbrances, and rights or interests of third parties arising by virtue of any exploration, drilling, development, unitization, communitization or operating agreement or agreements relating to or affecting or the lease which created, any gas leasehold estate (such as rentals, royalties, overriding royalties, production payments, reservations, liens, encumbrances, rights and interests being

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herein in this subdivision (14) referred to as "leasehold encumbrances").

(i) in respect of gas leasehold estates covering proven gas acreage owned by the Company at the effective date of this Indenture, existing at such date, or, in the case of such gas leasehold estates thereafter acquired by the Company, existing or created at the time of the acquisition of such estates by the Company;

(ii) in respect of gas leasehold estates covering acreage which becomes proven gas acreage after the effective date of this Indenture, in case of estates then owned by the Company, or after the acquisition of such estates in case of estates subsequently acquired by the Company, existing at the time such acreage becomes proven gas acreage; or

(iii) granted, created, entered into or made by the Company pursuant to the provisions of Section 7.01 hereof;

other than (x) leasehold encumbrances securing the payment of money in amounts not dependent on or measured by production, and (y) any reservations or rights (other than prior rights limited to reimbursement of well drilling and operating costs and overriding royalties) to gas or to the proceeds of gas drilling prior to the Company's interest in such gas leasehold estates, and

(b) any overriding royalties or other rights of Pan American Petroleum Corporation, Phillips Petroleum Company or Colorado Oil & Gas Corporation or their respective successors in interest under the eight Sales Contracts and Operating Agreements dated March 15, 1935, as amended, between Pacific Northwest Pipeline Corporation, a Delaware corporation (hereinafter called Pacific), to which the Company is successor in interest, and Pan American Petroleum Corporation (formerly Stanolind Oil and Gas Company), covering the Arbore, North Ross, Cedar Hill, Bondad, Huerfano, Towns, Ross and Ignacio areas, the Assignment Contract between Pacific, to which the Company is successor in interest, and Phillips Petroleum Company dated January 9, 1953, as amended, or the Assignment Contract between Pacific, to which the Company is successor in interest, and Colorado Oil & Gas Corporation dated March 2, 1953, as amended; and the obligations of the Company to surrender, transfer, release or reassign the leases or interests or rights to which said instruments relate under the conditions or upon the occurrence of the events specified in said instruments; and

(1b) any right which any party may have by virtue of any contract or agreement to purchase or take over the Company's interest in any gas well which has become an oil well and in the fittings and equipment used in connection with the operation of such well upon payment to the Company of the agreed consideration therefor as stipulated in or determined in accordance with the provisions of such contract or agreement.

Any cash deposited with the Corporate Trustee in respect of any lien or encumbrance remaining after the discharge of such lien or encumbrance shall be returned to the Company upon receipt by the Corporate Trustee of an application of the Company so requesting, accompanied by a certificate of the mortgagee or trustee, if any, under such lien or encumbrance, or other evidence satisfactory to the Corporate Trustee that the same has been discharged and an opinion of counsel stating that such lien or encumbrance has been discharged.

The term "prior lien" means any mortgage or other lien or encumbrance on property of the Company prior to the lien of this Indenture, exclusive of permitted encumbrances as above defined.

Section 1.15. The term "Gas Purchase Contracts" means the contracts for the purchase of natural gas listed in Schedule III annexed hereto, and any other contracts for the purchase of natural gas, the Company's interest in which shall hereafter be subjected to the lien hereof as is required to be; and the term "Gas Sales Contracts" means the contracts for the sale of natural gas by the Company listed in Schedule IV annexed hereto, and any other contracts for the sale of natural gas, the Company's interest in which shall hereafter be subjected to the lien hereof as is required to be.

Section 1.16. The terms "application of the Company" and "certificate of the Company" mean respectively an application or a certificate signed in the name of the Company, under its corporate seal, by its President or a Vice President and by its Secretary or an Assistant Secretary or its Treasurer or an Assistant Treasurer, addressed and delivered to the Trustee or to the Corporate Trustee, pursuant to a specified Section or Sections of this Indenture. The term "officer's certificate" means a certificate signed by the President or a Vice President or the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Company.

Section 1.17. The date of this Indenture, to wit, January 31, 1974, is intended as and for a date for the convenient identification of

this Indenture, and is not intended to indicate that this Indenture was executed and delivered on said date.

Section 1.18. Whenever in this Indenture provision is made for the delivery to the Trustees, or either of them, of any document or documents, such provision shall be deemed complied with if such document or documents shall have been delivered to the Corporate Trustee or to any person designated by it in writing for the purpose of receiving the same.

Section 1.19. Whenever in this Indenture provision is made for the delivery to the Trustees, or either of them, of any certificate, opinion or other document signed by an officer or officers of the Company or by any other person, such provision may be complied with by the delivery of more than one certificate or opinion or document certifying separately to the various matters required to be included in the certificate or opinion or other document so provided for, and in such event said separate certificates, opinions or documents need not all be signed by the same officers or persons, but different officers or persons may certify as to different matters; provided, however, that such separate certificates, opinions or documents shall, taken together, contain all of the statements herein provided for and be signed by an officer or officers or person or persons, as the case may be, by whom the certificate, opinion or document so provided for is authorized or required to be signed.

Any opinion of counsel hereunder may state that in so far as it relates to factual matters or matters of business or technical judgment (other than legal matters) such opinion is based upon certificates, statements and/or reports made by officers of the Company or by other persons in whom counsel rendering such opinion has confidence, and upon which in his opinion it is proper to rely.

Any opinion of counsel hereunder as to title to property or the lien of this Indenture or related matters may be based, in whole or in part, on an opinion of other counsel (provided that in such case each opinion of counsel hereunder shall state that is the opinion of the signer thereof each other counsel is one upon whom it is proper to rely, and a copy of the opinion of such other counsel to or shall have been furnished to the Trustees).

All certificates, opinions, applications and other documents required or permitted to be filed with the Trustees pursuant to any of the provisions of this Indenture which contain any terms defined in this





**Section 2.24.** Whenever, under this Indenture, the Company is required to furnish to the Trustee, or either of them, any certificate or other document on or before a specified date, such certificate or document if later furnished may nevertheless be acted or relied upon by the Trustee, or either of them, with like effect as if furnished when so required; but this provision shall not be deemed to impair any right or remedy which the Trustee, or either of them, may have to enforce the obligation of the Company to furnish the same as and when so required.

## ARTICLE TWO.

### Bonds, Form, Execution, Registration and Transfer of Bonds.

**Section 2.01.** The bonds issued under and secured by this Indenture shall be designated as "First Mortgage Pipe Line Bonds" of the Company. The text of such bonds and of the certificate of authentication of the Corporate Trustee shall be substantially in the form and purport recited in Articles Three and Three A hereof, with appropriate insertions, omissions, substitutions and variations in case of bonds of different denominations and different series, not inconsistent with the terms of this Indenture.

**Section 2.02.** The bonds being issued hereunder shall be issuable in fully registered form only and are being issued in fifteen series. All bonds of any one series shall be substantially identical, except that said bonds may be of different denominations.

**Section 2.03.** The bonds of each series may contain such other provisions, specifications, descriptive words and recitals and may have such legends printed, lithographed or engraved thereon, not inconsistent with the provisions of this Indenture, as may be required to comply with the rules of any stock exchange or the securities law of any state or states or to conform to usage in respect thereof, and may bear, if appropriate, a legend indicating approval of any governmental authority and/or a legend indicating that any tax with respect thereto required by law has been paid. There may be placed on each definite bond the following legend: "This Bond has not been registered under the Securities Act of 1933."

**Section 2.04.** The bonds shall be executed on behalf of the Company by its President or one of its Vice Presidents, and its corporate seal or a facsimile thereof shall be thereunto affixed or thereon imprinted and attested by its Secretary or one of its Assistant Secretaries.

The bonds shall then be delivered to the Corporate Trustee for authentication by it, and thereupon, as provided in this Article, Article Three, Article Four, Article Five, Article Ten and Article Thirteen and not otherwise, said Trustee shall authenticate and deliver the same upon the application of the Company.

No bond shall be or become valid or obligator; for any purpose or be secured by this Indenture or be entitled to the lien or benefit hereof until the authentication certificate on such bond shall have been duly executed by the Corporate Trustee, and such authentication certificate of the Corporate Trustee shall be conclusive evidence that the bond so authenticated was duly authorized for issue hereunder and that the holder thereof is entitled to the lien hereof and the benefit of the trusts hereby created.

Section 2.02. In case the officer who shall have signed any bond or attested the seal thereon shall cease to be such officer of the Company before the bond so signed and sealed shall have been actually authenticated and delivered by the Corporate Trustee or before the bond so signed and delivered may be authenticated and delivered and issued as though the person or persons who signed such bond and attested the seal thereon had not ceased to be such officer or officers of the Company, and also any bond may be signed and the seal thereon attested on behalf of the Company by such person or persons at the actual date of the execution thereof shall be the proper officers of the Company, although at the date of such bond such persons shall not have been such officers of the Company.

Section 2.03. The Company shall keep at such place or places as shall be designated in the bonds issued and outstanding under this Indenture, offices or agencies where such bonds may be presented for exchange, transfer and registration in accordance with their terms, and shall keep at such office or agencies books for such registration and transfer, which at all reasonable times shall be open for inspection by the Trustee, and shall permit to be transferred or registered, in accordance with their terms and under such reasonable regulations as it may prescribe, any bonds issued under this Indenture entitled to such registration or transfer. Any bond may, in accordance with its terms, be transferred upon such register by the person in whom it is registered, in person or by his duly authorized attorney, upon surrender of such bond for cancellation, accompanied by delivery of a written instrument of transfer in the form appended by the registrar duly executed.



**Section 3.07.** The Company shall not issue in or deem and treat the registered owner of any bond as the sole date owner of such bond for the purpose of receiving payment thereof or on any, at thereof and for all other purposes whatsoever, whether such bond be overdue or not, and the Company and the Trustee shall not be affected by any notice to the contrary. The Company agrees to indemnify and save harmless the Trustee from and against any or all loss, costs, charges, damages or expenses incurred by them or either of them at any time in so treating such registered owner.

**Section 3.08.** At the option of the registered owner, any bond or bonds, upon surrender thereof to the Corporate Trustee, and upon payment, if the Company shall so require, of the taxes or other governmental charges as provided for in the Indenture, may be exchanged for a like aggregate principal amount of bonds of the same series of other authority or denominations. In case any bond of a particular series was, as authorized by Section 3.01 or Section 3A.01, as the case may be, was dated upon its issue as of a date other than an interest payment date for such series is surrendered for exchange or registration of transfer for one or more other bonds of the same series at any time prior to the interest payment date for such series next succeeding the date of such surrendered bond, any bond issued in exchange therefor or upon registration of transfer thereof shall bear the same date as the bond so surrendered.

All bonds surrendered for exchange or registration of transfer shall be accompanied by a written instrument of transfer, if required by the Corporate Trustee, in form approved by the Corporate Trustee, duly executed by the registered owner in person or by attorney authorized in writing.

**Section 3.09.** Whenever any bonds shall be presented for exchange as contemplated by the provisions of Section 3.08, the Company shall receive, and, upon surrender to it of said bonds, the Corporate Trustee shall authenticate and deliver in exchange therefor, the bond or bonds which the bondholder making the exchange shall be entitled to receive according to the terms thereof, in a principal amount equal to the principal amount of the bond or bonds surrendered for exchange. Upon any exchange or transfer of bonds, the Company may not make a charge therefor except a charge sufficient to reimburse it for any tax or taxes or other governmental charge required to be paid by the Company; and any said tax or charge shall be paid by the party requesting

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such exchange or transfer as a condition precedent to the exercise of the privilege of making the same.

SECTION 2.10. Until definitive bonds of any series are ready for delivery, there may be signed, sealed, authenticated and delivered and issued in lieu of any thereof and subject to the same provisions, limitations and conditions as are applicable thereto, one or more temporary printed, lithographed or typewritten bonds in registered form substantially of the tenor of the bonds of such series, in any denomination or denominations, and with appropriate omissions, insertions and variations as the Board of Directors of the Company may determine. After preparation of definitive bonds and upon surrender of any such temporary bond for exchange, the Company, at its own expense and without making any charge therefor, shall execute, and upon cancellation of such surrendered temporary bond the Corporate Trustees shall authenticate and deliver in exchange therefor, a definitive bond or bonds of the same series. Until so exchanged, each of such temporary bonds shall in all respects be entitled to the same rights, lien, benefits and security of this Indenture as definitive bonds of the same aggregate principal amount authenticated and issued hereunder. If all such definitive bonds are ready for delivery, the holder of one or more temporary bonds upon the surrender thereof to the Corporate Trustees for cancellation and upon the payment of charges similar to those provided for exchanges or transfers of definitive bonds in Section 2.09, shall be entitled to receive in exchange one or more temporary bonds of the same series, of like aggregate principal amount and of such denominations as shall be provided for in such temporary bonds. There may be placed on each temporary bond the following legend: "This Bond has not been registered under the Securities Act of 1933."

SECTION 2.11. In case any bond, whether temporary or definitive, shall become mutilated or defaced or be lost, stolen or destroyed, the Company shall issue, and the Corporate Trustees shall authenticate and deliver, in exchange and substitution for, and upon cancellation of, the mutilated or defaced bond, or in lieu of and in substitution for the bond lost, stolen or destroyed, a new bond of the same series of like denomination and tenor, but which, in the discretion of the Company or the Trustees, may bear the same or a different serial number, and may be marked "Duplicate" or be otherwise distinguished; or if any such bond shall have matured, instead of issuing a substitute bond the Company may pay the same without the surrender thereof.



The applicant for such payment or substitution shall furnish to the Company and the Trustees evidence satisfactory to all of them in their discretion of the ownership and authenticity of the original bond and of the loss, theft, mutilation, defacement or destruction thereof, and also indemnify in a sum deemed by the Company and the Trustees sufficient to cover all risk, however remote, with such surety as shall be satisfactory to the Company and the Trustees in their discretion, and conditioned against any possible loss, damage, liability or expense in such connection, as the Company or the Trustees may request. Any instrument so furnished shall remain as pledges the Company, the Trustees and, if requested by the Company, any fiscal agent and/or registrar. The Company or the Trustees may authenticate any such substituted bond and deliver the same, or the Corporate Trustee or any fiscal agent of the Company may make any such payment, upon the written request or authorization of any officer of the Company, and shall incur no liability to anyone by reason of anything done or omitted to be done by it in good faith under the provisions of this Section. The applicant for any substituted bond, or any such payment, shall, if required by the Company, as a condition precedent to the issue of any such substituted bond, or any such payment, pay all expenses, including counsel fees, incurred by the Company or the Trustees in connection therewith.

All bonds shall be held and owned upon the express terms of the provisions of this Section are exclusive in respect of the payment or payment of mutilated, defaced, lost, stolen or destroyed bonds and shall preclude any and all other rights or remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding, respecting such replacement or the payment of bonds, notes, negotiable instruments or other securities without their surrender.

Any duplicate bonds issued pursuant to this Section shall constitute original additional contractual obligations of the part of the Company, and shall be equally secured and entitled to equal and proportionate interests with all other bonds issued hereunder in any moneys or property at any time held by the Trustees for the benefit of the bondholders. The Company, however, shall not be required to treat as outstanding both the original bond and the duplicate bonds for the purpose of determining any ratio of its earnings to interest charges or debt service or any percentage, or the principal amount of bonds outstanding hereunder or the amount of bonds issued under the Indenture for the purpose of any sinking fund.

# ARTICLE THREE

## PROVISIONS RELATIVE TO BONDS OF THE GENERAL 1974 SERIES

Section 1071. Amount and Terms of Bonds of the General 1974 Series. There are hereby created and established two series of bonds to be issued under and secured by this Indenture, to-wit:

(a) a series to be designated "1974 Series due 1974", the bonds of which will bear the description "First Mortgage Five Year Bonds, 1974 Series due 1974", and

(b) a series to be designated "1974 Series due 1974", the bonds of which will bear the description "First Mortgage Five Year Bonds, 1974 Series due 1974".

The bonds of the 1974 and 1974 Series shall be limited to (a) with respect to the bonds of the 1974 Series, the \$2,000 aggregate principal amount of bonds of such Series authorized and authorized as provided in Section 1071(a) of the Indenture with respect to bonds of the Second 1974 Series, the \$1,000 aggregate principal amount of bonds of such Series authorized and authorized as provided in Section 1071(b) hereof, (b) bonds of such Series as provided in Article Two, Article Five and Article Thirteen hereof upon exchange or transfer of or in substitution for a full principal amount of bonds of the same series, and (c) bonds of such Series as provided in Article Five hereof.

The bonds of the General 1974 Series shall be issuable in fully negotiable form only in the denominations of \$1,000 or any integral multiple thereof, bearing such identifying letters or symbols, if any, as the several authorized depositaries thereof, and such numbers, as the Corporate Trustee or its successor shall deem proper. The bonds of the General 1974 Series shall be dated as of the interest payment date next preceding the date on which the same shall be authenticated by the Corporate Trustee, or, if such date of authentication shall be an interest payment date, such bonds shall be dated as of the date of such interest payment date; provided, however, if at the time of authentication of any bond of the General 1974 Series interest is in default on such bond, such bond shall be dated as of the interest payment date to which interest has previously been paid in full or made available for payment in full or, in the case of a bond authenticated upon assumption in exchange for or upon the transfer of any other bond, if no interest has been paid, as of the date of the bond so surrendered for exchange or

transfer; and provided, further, however, that, in the case of the original issue of bonds of the Several 1974 Series, such bonds shall be dated February 1, 1974. All bonds of the Several 1974 Series shall mature August 1, 1974, and the bonds of the Several 1974 Series shall bear interest from their dates at the respective rates for such series indicated in the designation of such series herein; and in this Section 2.01 set forth, payable on August 1, 1974, and at the rate of 6% per annum on any overdue principal and (to the extent legally enforceable) on any overdue installment of interest, and both the principal thereof and interest thereon shall be payable in coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts, if the corporate trust office of Chemical Bank, or its successor as Corporate Trustee under this Indenture, in the Borough of Manhattan, City and State of New York. The definitive bonds of the Several 1974 Series may be printed, lithographed or engraved, as the Company shall determine.

**Section 2.02. Exchange of Bonds of the Several 1974 Series.**—**Appointment of Registrar.** At the option of the registered owner, any bond or bonds of the Several 1974 Series, upon surrender thereof to the Corporate Trustee, and upon payment, if the Company shall so require, of any tax or charge provided for in this Indenture, may be exchanged for a like aggregate principal amount of bonds of the same series of other authorized denominations. All bonds so tendered for exchange shall be accompanied by a written instrument of transfer, if required by the Corporate Trustee, in form approved by the Corporate Trustee, duly executed by the registered owner in person or by attorney authorized in writing.

The Company hereby appoints the Corporate Trustee as Registrar and as its agent for the registration, transfer and exchange of bonds of the Several 1974 Series, and the books for such registration, transfer and exchange shall be kept at the corporate trust office of the Corporate Trustee, in the Borough of Manhattan, City and State of New York.

**Section 2.03. Redemption Provisions for Bonds of the Several 1974 Series.** The bonds of the Several 1974 Series are subject to redemption prior to maturity at the option of the Company, as a whole at any time or in part from time to time, upon payment of 100% of the principal amount thereof together with interest accrued thereon to the redemption

date, upon prior notice (unless waived as provided in Section 3.02 hereof) given by mail to each holder of bonds which, or portions of which, are to be redeemed by making the same to such holders not less than thirty nor more than sixty days prior to the redemption date.

Section 3.04, *Form of Bonds of the Several 1974 Series.* The bonds of the Several 1974 Series and the Corporate Trustee's certificate of authentication, to be endorsed upon the bonds of the Several 1974 Series, are to be substantially in the following forms, respectively, with appropriate insertions, deletions and variations in case of bonds of the Several 1974 Series, not inconsistent with the terms of such series as set forth in this Article Three:

[Front or back]

No. ....

.....

### NORTHWEST PIPELINE CORPORATION

Incorporated under the laws of the State of Delaware

First Mortgage Pipe Line Bonds, \$ Series due 1974

Due August 1, 1974

NORTHWEST PIPELINE CORPORATION, a Delaware corporation (hereinafter called the Company), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, on August 1, 1974, Dollars, and to pay to the registered owner hereof interest thereon from the date hereof to August 1, 1974, at the rate of \_\_\_\_\_% per annum, and on and after said principal and (to the extent legally enforceable) on any overdue instalment of interest at the rate of \_\_\_\_\_% per annum. Both principal of and interest on this bond will be paid in coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts, at the corporate trust office of Chemical Bank, or its successor in trust under the Indenture hereinafter mentioned (hereinafter called the Corporate Trustee), in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds of a series, designated as the \_\_\_\_\_ Series due 1974, of an authorized issue of bonds of the Company, known as First Mortgage Pipe Line Bonds (hereinafter called the bonds), limited in aggregate principal amount as provided in the Indenture



hereinafter mentioned, issued in three separate series of different denominations, dates, maturities and tenor which are provided for under and controlled by an Indenture of Mortgage and Deed of Trust dated as of January 31, 1974, duly executed and delivered by the Company to Chemical Bank & Francis J. Farrell, as Trustees (such Indenture of Mortgage and Deed of Trust being hereinafter called the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustees in respect thereof, and the terms and conditions upon which the bonds are, and are to be, secured.

The bonds of the % Series due 1974 are subject to redemption prior to maturity at the option of the Company, as a whole at any time or in part from time to time upon payment of 100% of the principal amount thereof together with interest accrued thereon to the redemption date upon prior notice given by mail, all as more fully provided in the Indenture.

If this bond or any portion thereof (\$1,000 or an integral multiple thereof) is duly called for redemption and payment duly provided for as specified in the Indenture, this bond or such portion hereof shall cease to bear interest from and after the date fixed for redemption and shall cease to be entitled to the lien of the Indenture on and after such date or, in case of redemption of all bonds outstanding under the Indenture, on and after the date payment is so provided for.

This bond is transferable as prescribed in the Indenture by the registered owner hereof in person, or by his duly authorized attorney, at said corporate trust office of the Corporate Trustee, upon surrender of this bond for cancellation, and upon payment, if the Company shall so require, of the charges provided for in the Indenture, and hereupon a new registered bond or bonds of the % Series due 1974 of like aggregate principal amount in authorized denominations will be issued to the transferee in exchange herefor as provided in the Indenture, or the registered owner of this bond at his option may surrender the same for cancellation at said office and receive in exchange herefor the same aggregate principal amount of bonds of the % Series due 1974 of other authorized denominations, upon payment in either case, if the Company shall so require, of the charges provided for in the Indenture.

In case an event of default as defined in the Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in the Indenture. Any such declaration may in certain cases, be annulled as provided in the Indenture.

To the extent permitted by and as provided in the Indenture, modifications or alterations of the Indenture and of the rights and obligations of the Company and of the holders of the bonds may be made by the Company and the Trustees, by an indenture supplemental to the Indenture, pursuant to the written consent or affirmative vote of the holders of not less than two-thirds in principal amount of the bonds at the time outstanding, including, if more than one series of bonds shall be at the time outstanding, not less than two-thirds in principal amount of certain affected series; provided, however, that no such modification or alteration shall be made without the written approval of the holders of not less than two-thirds in principal amount of the bonds, or consent or the affirmative vote of the holder hereof which will (a) extend the maturity of this bond or reduce the rate or extend the time of payment of interest hereon or reduce the amount of the principal of payment of interest hereon or reduce the amount of the principal hereof, or (b) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of the Indenture, or (c) authorize issuance of additional bonds under the Indenture, or (d) reduce the percentage of the principal amount of the bonds upon the approval or consent of the holders of which modifications or alterations may be made as aforesaid. The Indenture also provides that the holders of specified percentages in principal amount of the bonds at the time outstanding may waive compliance with certain of the covenants, and any past default in the performance of any covenants, contained in the Indenture, except any covenant for the payment of the principal of, or interest on, any of the bonds.

No recourse shall be had for the payment of the principal of or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, subscriber, promoter, stockholder, director or officer, past, present or future, as such, of the Company, or of any successor corporation, either directly or through the Company or such successor corporation under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, subscribers, promoters, stockholders, directors and officers, as such, being waived and released by the holder and owner hereof by the acceptance of this bond; all as more fully provided in the Indenture.



This bond shall not become or be valid or obligatory for any purpose until the form of certificate endorsed hereon shall have been signed by the Corporate Trustee.

IN WITNESS WHEREOF, Northwest Pipeline Corporation has caused these presents to be executed in its name and behalf by its President or a Vice President and its corporate seal or a facsimile thereof to be hereunto affixed or hereon imprinted and attested by its Secretary or an Assistant Secretary.

NORTHWEST PIPELINE CORPORATION

Dated

By

*Vice President*

Attest:

*Assistant Secretary*

[FORM OF AUTHENTICATION CERTIFICATE]

This bond is one of the bonds, of the series designated therein, referred to in the within-mentioned Indenture.

CHEMICAL BANK,

*Corporate Trustee*

By

*Authorized Officer*

ARTICLE THREE A.

PROVISIONS RELATING TO BONDS OF THE SINKING FUND  
SERIES AND SINKING FUNDS THEREFOR.

SECTION 3A.01. *Amounts and Terms of Bonds of the Sinking Fund Series.* There are hereby created and established thirteen series of bonds to be issued under and secured by this Indenture as follows:

(a) a series to be designated "5½% Series due 1975", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5½% Series due 1975";

(b) a series to be designated "4 $\frac{1}{8}$ % Series due 1975", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 4 $\frac{1}{8}$ % Series due 1975";

(c) a series to be designated "4 $\frac{1}{2}$ % Series due 1977", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 4 $\frac{1}{2}$ % Series due 1977";

(d) a series to be designated "5 $\frac{1}{8}$ % Series due 1977", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5 $\frac{1}{8}$ % Series due 1977";

(e) a series to be designated "5 $\frac{1}{8}$ % Series due 1980", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5 $\frac{1}{8}$ % Series due 1980";

(f) a series to be designated "5 $\frac{1}{8}$ % Series due 1982", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5 $\frac{1}{8}$ % Series due 1982";

(g) a series to be designated "5 $\frac{1}{8}$ % Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5 $\frac{1}{8}$ % Series due 1984";

(h) a series to be designated "Second 5 $\frac{1}{8}$ % Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, Second 5 $\frac{1}{8}$ % Series due 1984";

(i) a series to be designated "5.075% Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5.075% Series due 1984";

(j) a series to be designated "4.675% Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 4.675% Series due 1984";

(k) a series to be designated "Second 4.675% Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, Second 4.675% Series due 1984";

(l) a series to be designated "5.025% Series due 1984", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 5.025% Series due 1984"; and

(m) a series to be designated "6% Series due 1986", the bonds of such series to bear the descriptive title "First Mortgage Pipe Line Bonds, 6% Series due 1986".

The bonds of the Sinking Fund Series shall be limited to (a) the following respective aggregate principal amounts of bonds of such respective series to be authenticated and delivered as provided in Section 4.01 hereof:

<u>Series</u>	<u>Aggregate Principal Amount</u>
1975 Series .....	\$ 1,481,000
Second 1975 Series .....	3,990,000
1977 Series .....	2,296,000
Second 1977 Series .....	1,975,000
1980 Series .....	7,380,000
1982 Series .....	4,887,000
1984 Series .....	6,220,000
Second 1984 Series .....	9,561,000
Third 1984 Series .....	4,102,000
Fourth 1984 Series .....	21,984,000
Fifth 1984 Series .....	4,469,000
Sixth 1984 Series .....	8,171,000
1986 Series .....	7,084,000

and (b) bonds issued pursuant to Article Two, Article Five and Article Thirteen of this Indenture, upon exchanges or transfers of or in substitution for a like principal amount of bonds of the same series, and (c) bonds reissued in accordance with Article Four hereof.

The bonds of the Sinking Fund Series shall be issuable in fully registered form only in the denominations of \$1,000 or any integral multiple thereof, bearing such identifying letters or symbols, if any, as to the several authorized denominations thereof, and such numbers, as the Corporate Trustee in its discretion shall deem proper. The bonds of each Sinking Fund Series shall be dated as of the interest payment date for such series next preceding the date on which the same shall be authenticated by the Corporate Trustee, or, if such date of authentication shall be such an interest payment date, such bonds shall be dated as of such interest payment date; provided, however, if at the time of authentication of any bond of a Sinking Fund Series interest is in default on such bond, such bond shall be dated as of the interest payment date for such series to which interest has previously been paid in full or made available for payment in full or, in the case of a bond of a Sinking Fund Series authenticated upon issuance in exchange for or

upon the transfer of any other bond of such series, if no interest has been paid, as of the date of the bond so surrendered for exchange or transfer; and provided, further, however, that, in the case of the original issue of any bond of a Sinking Fund Series, such bond shall be dated February 1, 1974. The bonds of each Sinking Fund Series shall (i) mature on the date set forth opposite the designation of such respective series below, and (ii) shall bear interest from their date at the rate for such series indicated in the designation of such series set forth in this Section 3A.01 until payment of the principal becomes due, and at the rate of 6% per annum on any overdue principal and (to the extent legally enforceable) on any overdue instalment of interest, interest accruing prior to the expressed maturity of the principal of the bonds of the respective Sinking Fund Series being payable semi-annually on the dates (such dates being hereinafter sometimes referred to as "interest payment dates") specified below opposite the designation of such series, commencing on the date indicated:

<u>Designation of Series</u>	<u>Interest Payment Dates</u>	<u>Maturity Dates</u>
1975 Series .....	March 1 and September 1, beginning March 1, 1974	September 1, 1975
Second 1975 Series .....	April 1 and October 1, beginning April 1, 1974	October 1, 1975
1977 Series .....	April 1 and October 1, beginning April 1, 1974	October 1, 1977
Second 1977 Series .....	April 1 and October 1, beginning April 1, 1974	October 1, 1977
1980 Series .....	June 1 and December 1, beginning June 1, 1974 and April 1, 1980	April 1, 1980
1982 Series .....	May 1 and November 1, beginning May 1, 1974	November 1, 1982
1984 Series .....	April 1 and October 1, beginning April 1, 1974	April 1, 1984
Second 1984 Series .....	April 1 and October 1, beginning April 1, 1974	April 1, 1984
Third 1984 Series .....	April 1 and October 1, beginning April 1, 1974	April 1, 1984
Fourth 1984 Series .....	April 1 and October 1, beginning April 1, 1974	April 1, 1984

<u>Designation of Series</u>	<u>Interest Payment Dates</u>	<u>Maturity Dates</u>
Fifth 1984 Series.....	April 1 and October 1, beginning April 1, 1974	April 1, 1984
Sixth 1984 Series.....	April 1 and October 1, beginning April 1, 1974	April 1, 1984
1986 Series .....	May 1 and November 1, beginning May 1, 1974	November 1, 1986

Both the principal of and interest on the bonds of each series of the Sinking Fund Series shall be payable in coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts, at the corporate trust office of Chemical Bank, or its successor as Corporate Trustee under this Indenture, in the Borough of Manhattan, City and State of New York. The definitive bonds of the Sinking Fund Series may be printed, lithographed or engraved, as the Company shall determine.

**SECTION 3A.02. Exchanges of Bonds of the Sinking Fund Series**  
*—Appointment of Registrar.* At the option of the registered owner, any bond or bonds of the Sinking Fund Series, upon surrender thereof to the Corporate Trustee, and upon payment, if the Company shall so require, of any tax or charge provided for in this Indenture, may be exchanged for a like aggregate principal amount of bonds of the same series of other authorized denominations. All bonds surrendered for exchange shall be accompanied by a written instrument of transfer, if required by the Corporate Trustee, in form approved by the Corporate Trustee, duly executed by the registered owner in person or by attorney authorized in writing.

The Company hereby appoints the Corporate Trustee as Registrar and as its agent for the registration, transfer and exchange of bonds of the Sinking Fund Series, and the books for such registration, transfer and exchange shall be kept at the corporate trust office of the Corporate Trustee, in the Borough of Manhattan, City and State of New York.

**SECTION 3A.03. Redemption Provisions for Bonds of the Sinking Fund Series.** The bonds of the Sinking Fund Series are subject to redemption prior to maturity,



(a) at the option of the Company, as to each series as a whole at any time or in part from time to time, as follows:

(i) with respect to bonds of the 1975 Series, during the period prior to September 1, 1974, upon payment of 100.37% of the principal amount thereof, and thereafter upon payment of 100% of the principal amount thereof;

(ii) with respect to bonds of the Second 1975 Series, bonds of the 1977 Series, bonds of the Second 1977 Series and bonds of the 1980 Series, during the respective periods set forth for each respective series in the tabulation below, upon payment of the applicable percentage of the principal amount thereof set forth in the tabulation with respect to such series under the heading "Optional Redemption Price" or, in the event that such redemption is carried out directly or indirectly as a part of, or in anticipation of, any refunding operation involving the incurring of indebtedness by the Company which has an interest rate or cost to the Company (computed in accordance with accepted financial practice) of less than, in respect of bonds of the Second 1975 Series, 4 $\frac{3}{8}$ % per annum, in respect of bonds of the 1977 Series, 4 $\frac{1}{2}$ % per annum, in respect of bonds of the Second 1977 Series, 5 $\frac{1}{8}$ % per annum, and in respect of bonds of the 1980 Series, 5 $\frac{3}{8}$ % per annum, upon payment of the applicable percentage of the principal amount thereof set forth in said tabulation with respect to such series under the heading "Refinancing Redemption Price":

#### SECOND 1975 SERIES

Twelve Months' Period Beginning October 2	Optional Redemption Price	Refinancing Redemption Price
1973 .....	100.25%	100.50%
1974 .....	100	100;

#### 1977 SERIES

Twelve Months' Period Beginning October 2	Optional Redemption Price	Refinancing Redemption Price
1973 .....	100.38%	101.0 $\frac{1}{2}$ %
1974 .....	100.47	100.63
1975 .....	100.14	100
1976 .....	100	100;



## SECOND 1977 SERIES

<u>Twelve Months'</u> <u>Period Beginning</u> <u>April 2</u>	<u>Optional</u> <u>Redemption</u> <u>Price</u>	<u>Refinancing</u> <u>Redemption</u> <u>Price</u>
1973 .....	101.80%	101.80%
1974 .....	101.53	101.53
1975 .....	101.27	101.27
April 2, 1976, to and including October 1, 1976 .....	101	101
October 2, 1976, to and including October 1, 1977 .....	100	100;

## 1980 SERIES

<u>Twelve Months'</u> <u>Period Beginning</u> <u>April 1</u>	<u>Optional</u> <u>Redemption</u> <u>Price</u>	<u>Refinancing</u> <u>Redemption</u> <u>Price</u>
1973 .....	102.34%	102.34%
1974 .....	101.96	101.96
1975 .....	101.56	101.56
1976 .....	101.18	101.18
1977 .....	100.78	100.73
1978 .....	100.39	100.39
1979 .....	100	100;

(iii) with respect to the bonds of the 1982 Series upon payment of 105% of the principal amount thereof at any time prior to November 1, 1974, and thereafter, during the respective periods set forth in the tabulation below, upon payment of the applicable percentage of the principal amount thereof set forth in said tabulation under the heading "Regular Redemption Price":

<u>Twelve Months'</u> <u>Period Beginning</u> <u>November 1</u>	<u>Regular</u> <u>Redemption</u> <u>Price</u>
1974 .....	101.86%
1975 .....	101.59
1976 .....	101.33
1977 .....	101.06
1978 .....	100.80
1979 .....	100.53
1980 .....	100.27
1981 .....	100;

(iv) with respect to the bonds of the Several 1984 Series during the respective periods set forth in the tabulation below,

upon payment of the applicable percentage of the principal amount thereof set forth in such tabulation under the heading "Regular Redemption Price":

<u>Twelve Months' Period Beginning</u>	<u>Regular Redemption Price</u>
<u>April 1</u>	
1973.....	102.83%
1974.....	102.61
1975.....	102.35
1976.....	102.09
1977.....	101.83
1978.....	101.57
1979.....	101.30
1980.....	101.04
1981.....	100.78
1982.....	100.52
1983.....	100.26
1984.....	100

(provided, however, that, if prior to April 1, 1974, such redemption is carried out as a part of any refunding operation involving the incurring of indebtedness by the Company or any affiliate of the Company which has an interest rate or cost to the Company or such affiliate of less than 5 1/8% per annum, computed in accordance with accepted financial practice, then the regular redemption price will be 115% of the principal amount of any bonds of the Several 1984 Series (i) to be redeemed); and

(v) with respect to the bonds of the 1986 Series, during the respective periods set forth in the tabulation below, upon payment of the applicable percentage of the principal amount thereof set forth in such tabulation under the heading "Regular Redemption Price":

<u>Twelve Months' Period Beginning</u>	<u>Regular Redemption Price</u>
<u>November 1</u>	
1973.....	103.84%
1974.....	103.51
1975.....	103.19
1976.....	102.87
1977.....	102.55
1978.....	102.23
1979.....	101.92
1980.....	101.60
1981.....	101.28
1982.....	100.96
1983.....	100.64
1984.....	100.32
1985.....	100

(provided that, if prior to November 1, 1976, such redemption is carried out as a part of any refunding operation involving the incurring of indebtedness by the Company or any affiliate of the Company which has an interest rate or cost to the Company or such affiliate of less than 6% per annum, computed in accordance with accepted financial practice, then the regular redemption price will be 115% of the principal amount of the bonds to be redeemed); and

(b) by operation of the respective sinking funds for such bonds provided for in Section 3A.04 of this Article Three A, upon payment of the principal amount thereof;

together, in any case, with interest accrued thereon to the redemption date; upon prior notice (unless waived as provided in Section 5.02 of this Indenture) given by mail to each holder of bonds which, or portions of which, are to be redeemed, by mailing the same to such holders not less than thirty nor more than sixty days prior to the redemption date.

**SECTION 3A.04. *Sinking Funds for Bonds of the Sinking Fund Series.***

A. The Company covenants that, subject to the provisions of Paragraphs B and C of this Section 3A.04, it will pay to the Corporate Trustee

(a) for a Sinking Fund for the retirement of the bonds of the 1975 Series, at least one business day before each interest payment date commencing September 1, 1974, and each subsequent interest payment date (that is, on or before August 31, 1974, February 28, 1975, and August 31, 1975, as the case may be, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the 1975 Series shall remain outstanding, a Sinking Fund payment in the amount of \$494,000 in respect of the Sinking Fund payment dates on or before August 31, 1974, and February 28, 1975, and a Sinking Fund payment in the amount of \$493,000 in respect of the Sinking Fund payment date on or before August 31, 1975;

(b) for a Sinking Fund for the retirement of bonds of the Second 1975 Series, at least one business day before each interest payment date commencing April 1, 1974, and each subsequent interest payment date (that is, on or before March 31, 1974, September 30, 1974, March 31, 1975, and September 30, 1975, as the case may be, each such date being sometimes referred to herein

as a "Sinking Fund payment date"), so long as any bonds of the Second 1975 Series shall remain outstanding, a Sinking Fund payment in the amount of \$827,000 in respect of each Sinking Fund payment date commencing on or before March 31, 1974 and continuing to and including March 31, 1975, and in the amount of \$1,509,000 in respect of the Sinking Fund payment date on or before September 30, 1975;

(c) for a Sinking Fund for the retirement of bonds of the 1977 Series, at least one business day before each interest payment date commencing April 1, 1974, and each subsequent interest payment date (that is, on or before March 31, 1974 and September 30, 1974, and on or before each March 31 or September 30 thereafter, as the case may be, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the 1977 Series shall remain outstanding, Sinking Fund payments in the amounts set forth below, opposite the following respective Sinking Fund payment dates:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974.....	\$272,000
September 30, 1974.....	271,000
March 31, 1975.....	272,000
September 30, 1975.....	271,000
March 31, 1976.....	272,000
September 30, 1976.....	272,000
March 31, 1977.....	271,000
September 30, 1977.....	395,000;

(d) for a Sinking Fund for the retirement of bonds of the Second 1977 Series, at least one business day before each interest payment date commencing April 1, 1974, and each subsequent interest payment date (that is, on or before March 31, 1974 and September 30, 1974, and on or before each March 31 or September 30 thereafter, as the case may be, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the Second 1977 Series shall remain outstanding, a Sinking Fund payment in the amount of \$247,000 in respect of each Sinking Fund payment date commencing on or before March 31, 1974, and continuing to and including March 31, 1977, and a Sinking Fund payment in the amount of \$246,000 in respect of the Sinking Fund payment date on or before September 30, 1977;

(e) for a Sinking Fund for the retirement of the bonds of the 1980 Series, at least one business day before each interest payment date commencing June 1, 1974, and each subsequent interest payment date (that is, on or before May 31, 1974 and November 30, 1974, and on or before each May 31 and November 30 thereafter, as the case may be, and on or before March 31, 1980, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the 1980 Series shall remain outstanding, Sinking Fund payments in the amounts shown below opposite the following respective Sinking Fund payment dates:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
May 31, 1974.....	\$568,000
November 30, 1974.....	567,000
May 31, 1975.....	568,000
November 30, 1975.....	567,000
May 31, 1976.....	568,000
November 30, 1976.....	567,000
May 31, 1977.....	568,000
November 30, 1977.....	568,000
May 31, 1978.....	568,000
November 30, 1978.....	568,000
May 31, 1979.....	568,000
November 30, 1979.....	567,000
March 31, 1980.....	568,000;

(f) for a Sinking Fund for the retirement of the bonds of the 1982 Series, at least one business day before each interest payment date commencing May 1, 1974, and each subsequent interest payment date (that is, on or before April 30, 1974, and October 31, 1974, and on or before each April 30 or October 31 thereafter, as the case may be, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the 1982 Series shall remain outstanding, Sinking Fund payments in the amounts shown below opposite the following respective Sinking Fund payment dates:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
April 30, 1974.....	\$272,000
October 31, 1974.....	271,000
April 30, 1975.....	272,000
October 31, 1975.....	271,000
April 30, 1976.....	272,000



<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
October 31, 1976.....	\$271,000
April 30, 1977.....	272,000
October 31, 1977.....	271,000
April 30, 1978.....	272,000
October 31, 1978.....	271,000
April 30, 1979.....	272,000
October 31, 1979.....	271,000
April 30, 1980.....	272,000
October 31, 1980.....	271,000
April 30, 1981.....	272,000
October 31, 1981.....	271,000
April 30, 1982.....	272,000
October 31, 1982.....	271,000

(a) for a Sinking Fund for the retirement of the bonds of the Several 1984 Series, so long as any bonds of the Several 1984 Series shall remain outstanding. Sinking Fund payments in the amounts shown below for the respective Several 1984 Series, such payments to be made on or before the respective Sinking Fund payment dates shown below. The term "Sinking Fund payment dates" is used herein to refer, in the case of each of the Several 1984 Series, to March 31, 1974, September 30, 1974 and each March 31 & 1 September 30 thereafter, to and including March 31, 1984; provided, however, that in the case of any such March 31 or September 30 which is not a business day, the term "Sinking Fund payment date" shall mean the business day next preceding such March 31 or September 30, as the case may be;

(i) for the 1984 Series:

Sinking Fund payments are to be made on or before the following Sinking Fund payment dates in the following respective amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974, to March 31, 1980, inclusive.....	\$296,000
September 30, 1980.....	297,000
March 31, 1981.....	296,000
September 30, 1981.....	297,000
March 31, 1982.....	296,000
September 30, 1982.....	297,000
March 31, 1983.....	296,000
September 30, 1983.....	297,000
March 31, 1984.....	297,000

## (ii) for the Second 1984 Series:

Sinking Fund payments are to be made on or before the following Sinking Fund payment dates in the following respective amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974 and September 30, 1974.....	\$173,000
March 31, 1975 .....	114,000
September 30, 1975 .....	115,000
March 31 and September 30, 1976.....	406,000
March 31 and September 30, 1977.....	395,000
March 31, 1978 to September 30, 1979, inclusive .....	496,000
March 31, 1980 .....	546,000
September 30, 1980 .....	546,000
March 31, 1981 .....	594,000
September 30, 1981 .....	595,000
March 31, 1982 .....	594,000
September 30, 1982 .....	595,000
March 31, 1983 .....	643,000
September 30, 1983 .....	644,000
March 31, 1984 .....	643,000

## (iii) for the Third 1984 Series:

Sinking Fund payments are to be made on or before the following Sinking Fund payment dates in the following respective amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974 .....	\$ 70,000
September 30, 1974 .....	69,000
March 31, 1975 .....	42,000
September 30, 1975 .....	42,000
March 31, 1976 .....	172,000
September 30, 1976 .....	172,000
March 31, 1977 .....	168,000
September 30, 1977 .....	167,000
March 31, 1978 to September 30, 1979, in- clusive .....	214,000
March 31 and September 30, 1980 .....	236,000
March 31, 1981 to September 30, 1982, inclusive .....	258,000
March 31, 1983 to March 31, 1984, inclusive..	280,000



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(iv) for the Fourth 1964 Series:  
Sinking Fund payments are to be made on or before the  
following Sinking Fund payment dates in the following respec-  
tive amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974 and September 30, 1974	\$ 355,000
March 31, 1975	222,000
September 30, 1975	222,000
March 31, 1976	225,000
September 30, 1976	225,000
March 31, 1977	900,000
September 30, 1977	1,145,000
March 31, 1978	1,144,000
September 30, 1978	1,145,000
March 31, 1979	1,144,000
September 30, 1979	1,255,000
March 31, 1980	1,255,000
September 30, 1980	1,387,000
March 31, 1981	1,385,000
September 30, 1981	1,387,000
March 31, 1982	1,595,000
September 30, 1982	1,592,000
March 31, 1983	1,594,000
September 30, 1983	1,592,000
March 31, 1984	

(v) for the Fifth 1964 Series:

Sinking Fund payments are to be made on or before the  
following Sinking Fund payment dates in the following respec-  
tive amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974 and September 30, 1974	\$ 74,000
March 31, 1975	45,000
September 30, 1975	45,000
March 31 and September 30, 1976	152,000
March 31, 1977	152,000
September 30, 1977	234,000
March 31, 1978	232,000
September 30, 1978	

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1979 .....	\$234,000
September 30, 1979 .....	233,000
March 31, 1980 .....	257,000
September 30, 1980 .....	256,000
March 31, 1981 .....	282,000
September 30, 1981 .....	281,000
March 31, 1982 .....	282,000
September 30, 1982 .....	281,000
March 31, 1983 .....	306,000
September 30, 1983 and March 31, 1984 .....	305,000

(vi) for the Sixth 1984 Series:

Sinking Fund payments are to be made on or before the following Sinking Fund payment dates in the following respective amounts:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
March 31, 1974 .....	\$137,000
September 30, 1974 .....	136,000
March 31 and September 30, 1975 .....	82,000
March 31, 1976 .....	345,000
September 30, 1976 .....	344,000
March 31, 1977 .....	335,000
September 30, 1977 .....	334,000
March 31, 1978 .....	426,000
September 30, 1978 .....	425,000
March 31, 1979 .....	426,000
September 30, 1979 .....	426,000
March 31, 1980 .....	471,000
September 30, 1980 .....	471,000
March 31, 1981 to September 30, 1982, inclusive .....	515,000
March 31, 1983 .....	558,000
September 30, 1983 .....	556,000
March 31, 1984 .....	557,000

and

(h) for a Sinking Fund for the retirement of the bonds of the 1986 Series, at least one business day before each interest payment date commencing May 1, 1974, and each subsequent

interest payment date (that is, on or before April 30, 1974, and October 31, 1974, and on or before each April 30 or October 31 thereafter, as the case may be, each such date being sometimes referred to herein as a "Sinking Fund payment date"), so long as any bonds of the 1986 Series shall remain outstanding, Sinking Fund payments in the amounts shown below opposite the following respective Sinking Fund payment dates:

<u>Sinking Fund Payment Dates</u>	<u>Amount in Respect of Each Sinking Fund Payment Date</u>
April 30, 1974, to April 30, 1976, inclusive . . .	\$173,000
October 31, 1976, to April 30, 1982, inclusive . . .	296,000
October 31, 1982 . . . . .	297,000
April 30, 1983, to April 30, 1985, inclusive . . .	296,000
October 31, 1985 . . . . .	297,000
April 30, 1986 . . . . .	296,000
October 31, 1986 . . . . .	297,000.

B. In the event that the Certificate of Available Gas Supply filed by the Company with the Corporate Trustee on or before any June 15, pursuant to the provisions of Section 3A.05 of this Article Three A, shall be a Certificate B (specifying a date prior to the date of maturity of bonds of any one or more of the Sinking Fund Series as set forth in Section 3A.01 hereof as the date of exhaustion of the Company's available gas supply), then the amount of the Sinking Fund payment for the bonds of any such Sinking Fund Series to be made by the Company on each of the two next succeeding Sinking Fund payment dates for the bonds of such Sinking Fund Series, as specified in Paragraph A of this Section 3A.04, shall be increased by a sum (rounded out to the next highest \$1,000) which bears the same proportion to the total of the Sinking Fund payments for the bonds of such Sinking Fund Series provided to be made under said Paragraph A on or after the date of exhaustion specified in said Certificate B (less the aggregate of the amounts, if any, by which the Sinking Fund payments for the bonds of such Sinking Fund Series from any Sinking Fund payment dates occurring prior to such June 15 shall have been increased pursuant to this Paragraph B, but only to the extent that the bonds of such Sinking Fund Series retired through the application of such increases in Sinking Fund payments shall not have been utilized as a credit against any subsequent Sinking Fund Payment on the bonds of such Sinking Fund Series occurring prior to such June 15) that the Sinking Fund payment for the bonds of such Sinking Fund Series to be made on such



Sinking Fund payment date, as set forth in said Paragraph A, bears to the aggregate of the Sinking Fund payments for the bonds of such Sinking Fund Series specified in said Paragraph A for all Sinking Fund payment dates for the bonds of such Sinking Fund Series occurring after such June 15 and prior to the date of exhaustion specified in said Certificate B.

C. The Company shall have the right, upon delivery to the Corporate Trustee on or before the fifteenth day of the month next preceding a month in which a Sinking Fund payment date shall occur, of a certificate of the Company stating its election so to do, to satisfy in whole or in part any Sinking Fund payment due on any such Sinking Fund payment date for the bonds of any of the Sinking Fund Series by crediting against such Sinking Fund payment for such Sinking Fund Series, at the principal amount thereof,

(a) bonds of the Sinking Fund Series in question then or at any time theretofore delivered to the Corporate Trustee for the applicable Sinking Fund; or

(b) in case any Sinking Fund payment or payments required under Paragraph A of this Section 3A.04 for the Sinking Fund Series in question shall have been increased by operation of Paragraph B of this Section, but the latest Certificate of Available Gas Supply filed by the Company with the Corporate Trustee, pursuant to Section 3A.05 of this Article Three A, shall be a Certificate A, bonds of the Sinking Fund Series in question theretofore redeemed for the applicable Sinking Fund or credited against any Sinking Fund payment to the extent that the total principal amount of bonds of the Sinking Fund Series in question theretofore so redeemed or credited exceeds the sum of the previous regular Sinking Fund payments for the Sinking Fund Series in question provided for in Paragraph A of this Section 3A.04;

and which bonds (except to the extent provided in clause (b) of this Paragraph C) shall not theretofore have been made the basis of a credit against any Sinking Fund payment hereunder or of any other credit under this Indenture. So long as any of the bonds of the Sinking Fund Series are registered in any one or more of the names in which the bonds of such Sinking Fund Series initially issued shall have been initially registered on the books of the Company or, if initially registered in a nominee name, then registered in the name of the initial beneficial owner thereof, the Company shall not be entitled to deliver any bonds of any Sinking Fund Series to the Corporate Trustee for the

Sinking Fund for the Sinking Fund Series in question pursuant to clause (a) of this Paragraph C, except with the consent of all persons in whose name or names any bonds of the Sinking Fund Series in question were initially so registered and remain so registered and any such initial beneficial owner of bonds of such Sinking Fund Series in whose name such bonds are then registered.

Any balance of any Sinking Fund payment with respect to any Sinking Fund Series not satisfied by credits taken pursuant to the foregoing provisions of this Paragraph C shall be paid in cash.

All bonds delivered to the Corporate Trustee for credit against any of the Sinking Funds for the bonds of the Sinking Fund Series shall be accompanied by a certificate of the Company stating that such bonds have been duly issued and bona fide sold or otherwise disposed of for value to persons other than a controlling corporation or an affiliate of the Company or a controlling corporation and have been redeemed or reacquired by the Company and stating that none of such bonds has theretofore been made the basis of a credit against any Sinking Fund payment hereunder (except to the extent provided in clause (b) of this Paragraph C) or of any other credit under this Indenture. All bonds delivered to the Corporate Trustee and credited against any Sinking Fund payment hereunder and all bonds redeemed by operation of, or the redemption of which has been made the basis of a credit against, any of said Sinking Funds, shall be cancelled and shall not be made the basis of any other credit under this Indenture except to the extent provided in clause (b) of this Paragraph C.

Fortwith after the fifteenth day of the month next preceding a month in which a Sinking Fund payment date shall occur (other than the last Sinking Fund payment date in respect of the bonds of any Sinking Fund Series) on which the Company will be required to make to the Corporate Trustee a payment in cash for any of the Sinking Funds for the bonds of the Sinking Fund Series, the Corporate Trustee shall proceed to select for redemption, in the manner provided in Article Five of this Indenture, a principal amount of bonds of the Sinking Fund Series in question equal to the amount of such cash payment, and, in the name of the Company, shall give notice, as required by the provisions of Section 3A.03 of this Article Three A and Article Five of this Indenture, of the redemption for the appropriate Sinking Fund of the bonds so selected on the then next ensuing interest payment date in respect of such Sinking Fund Series of bonds. The Company



shall pay to the Corporate Trustee at least one business day before such next ensuing interest payment date the sum required to redeem the bonds so called, including interest to the redemption date, which sum shall be applied by the Corporate Trustee to the redemption of such bonds. Any moneys paid to the Corporate Trustee in respect of the Sinking Fund payment date next preceding the date of maturity of any Sinking Fund Series shall be applied to the payment of the Bonds of such Sinking Fund Series at their maturity.

The Company shall not be entitled to redeem for the Sinking Fund for the bonds of any Sinking Fund Series at the sinking fund redemption price on any interest payment date for such Sinking Fund Series a principal amount of bonds of such Sinking Fund Series greater than the amount required to be redeemed for the Sinking Fund for the bonds of the Sinking Fund Series in question on that date by the provisions of Paragraphs A and B of this Section 3A.04.

**Section 3A.05. Certificate of Available Gas Supply.** The Company covenants that, so long as any bonds of any of the Sinking Fund Series are outstanding, it will file with the Corporate Trustee, on or before June 15 in each year beginning in the year 1974, and continuing to and including the year 1985, a Certificate of Available Gas Supply, dated not earlier than the May 1 next preceding such June 15, stating that, in the opinion of the signer or signers of such Certificate, the date of exhaustion of the Company's available gas supply will be a date not earlier than November 1, 1986, or will be a specified date prior to November 1, 1986. The term "date of exhaustion of the Company's available gas supply", as used herein, shall mean the date on which, in the opinion of the signer or signers of such Certificate, the Company's available gas supply (as hereinafter in this Section 3A.05 defined), determined as of a date not earlier than the April 1 next preceding the date of such Certificate, will be exhausted on the assumption that the volume of gas in such available gas supply will be withdrawn at the rate required to provide from time to time:

(a) the volumes of gas required for deliveries during each twelve months' period in the future (counting from the April 1 next preceding the date of such Certificate) at an annual rate equal to the volumes of gas sold and delivered by the Company during the twelve months' period ended on the March 31 next preceding the date of such Certificate; provided, however, that

(i) if any such sales or deliveries shall have been made under a written contract limiting the maximum volume of gas which the Company from time to time has a firm obligation to deliver thereunder, then the volume of gas deliverable by the Company under such contract during each such subsequent period in respect of which such limitation is in effect shall be taken to be (in lieu of the volume of gas sold and delivered under such contract during the next preceding twelve months) a volume of gas equal to 92% of the Company's maximum firm delivery obligation from time to time in effect under such contract; (ii) deliveries under any written contract, whether or not such contract limits the maximum volume of gas which the Company from time to time has a firm obligation to deliver thereunder, shall be taken into account only for the remaining unexpired term of such contract as the same exists at the date of such Certificate; and (iii) in making the foregoing computations of future withdrawals there shall be excluded all sales and deliveries (whether or not made under a written contract) in or adjacent to the fields from which the Company obtains its gas supply, involving the utilization and disposition of residue gas (i.e., gas derived from casinghead gas produced in conjunction with oil or distillate) not currently required for the Company's other sales of gas from its pipe line system or for use in its operation; and

(b) the volumes of gas which, based on the Company's experience during the twelve months' period ended on the March 31 next preceding the date of such Certificate, it will be necessary for the Company to use in its operations from time to time in processing and/or treating the volumes of gas from time to time deliverable by the Company in the future, determined at respective points of origin to the respective points of delivery, and for covering line losses and losses in operations.

For the purposes of the Certificate of Available Gas Supply required to be delivered in the year 1974, there shall be included in the volumes of gas sold by the Company during the twelve months' period ended March 31, 1974, all volumes of gas sold by the Northwest Division of El Paso during that part of such twelve months' period which preceded the acquisition by the Company of the Northwest Division Properties from El Paso, and all references in this Section 2A.05 to written contracts of the Company or to the Company's sales and deliveries of residue gas or to the experience of the Company during each part of said twelve months' period shall be deemed to be references to said



written contracts, such sales and deliveries and such experience of said Northwest Division during that part of such twelve months' period which preceded such acquisition.

The term "contract", as used in this Section 3A.05, shall include any rate schedule or tariff filed by the Company with the Federal Power Commission or any other Federal or State commission or other governmental authority having jurisdiction to regulate any sale or delivery of gas by the Company, and each contract, rate schedule or tariff shall be read in conjunction with and interpreted in the light of all general conditions, executed service agreements, rules, regulations or orders at the time in effect applicable thereto.

If it is stated in any such Certificate that the date of exhaustion of the Company's available gas supply will be not earlier than November 1, 1986, the Certificate filed shall be entitled "Certificate of Available Gas Supply, Form A" (in this Article Three A referred to as "Certificate A"). If in any such Certificate such date of exhaustion is specified to be a date earlier than November 1, 1986, the Certificate filed shall be entitled "Certificate of Available Gas Supply, Form B" (in this Article Three A referred to as "Certificate B"), and in such event such Certificate shall also state (i) the total volume of the Company's available gas supply as at the date of determination thereof specified in such Certificate, and (ii) the volume of the Company's sales and uses of gas, determined as provided in the first paragraph of this Section, for each successive twelve months' period commencing with the April 1 next preceding the date of such Certificate and continuing to and including the date of exhaustion specified in such Certificate.

Each Certificate of Available Gas Supply shall be a certificate of the Company, except that (a) if the last preceding Certificate of Available Gas Supply shall have been a Certificate B, or (b) if the two immediately preceding Certificates of Available Gas Supply shall have been certificates of the Company, and (c) in any event in the year 1975, such Certificate shall be prepared and signed by an independent geologist.

The term "available gas supply" shall mean the minimum volume of natural gas which, by reason of the existence of proven natural gas reserves (including gas in solution or in a common reservoir with oil or distillate and to be produced with such oil or distillate in the form of casinghead gas) located in one or more of the States of the United



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in determining the amount of gas available to the Company from any natural gas reserves located in Canada, the gas can be included as a reserve gas source in volume of the daily volume of gas from any one source if the gas is shipped to the United States by the Company or its delivery agent without requiring any other transportation of gas or the delivery of a contract requiring any other transportation of gas or any provision of services other than transportation thereof and it is the intent of such gas and which can be imported into the United States by the Company or its delivery agent without requiring any other transportation of the United States resulting in the import of such gas and if the aggregate volume of the gas from any source in Canada which may be transported into the United States by the Company or its delivery agent for use in the United States during the term of any contract period or license is restricted, there shall be included in determining the daily volume of gas available to the Company from such source any part of such daily volume in excess of an amount determined by dividing the aggregate volume of the gas from such source pursuant to such period or license by the number of days included in the term of such period or license, but no further restriction shall be given to the fact that the term of such period or license is restricted and if the Company's right to transport or receive, or the



right of any supplier to deliver to the Company, gas produced in Canada from any source is limited to the right to transport or receive or deliver gas for resale in specified areas in the United States, there shall be excluded in determining the daily volume of gas available to the Company from such source any part of such daily volume in excess of the average daily requirements of the Company under its then existing gas sales contracts covering gas to be sold in such specified areas; and, if such daily volume is at the time curtailed by a temporary restriction which by its terms is limited to a specified period, appropriate adjustments may be made to reflect the temporary character of such curtailment.

The signer or signers of any Certificate of Available Gas Supply in determining the amount of available gas supply of the Company through deliveries from any pipe line supplier may not include in the available gas supply of the Company any gas to be received by it from such pipe line supplier in excess of the quantities which the Company shall then have the right or option to purchase from such pipe line supplier and may, if he or they shall consider such information reliable and of sufficiently recent date and so state in such Certificate, rely on any figures relating to the gas supply of such pipe line supplier contained in the certificate of gas supply signed by a person who would qualify as an independent geologist under this Indenture (except that such person need not be selected or paid by the Company) most recently filed with the trustee under an indenture securing bonds or other obligations of said pipe line supplier if, pursuant to the terms of said indenture, the signer of such certificate of gas supply, in rendering the opinion set forth therein, shall be required to consider substantially the same factors in determining the pipe line supplier's available gas supply as are required to be considered by the signer of a Certificate of Available Gas Supply under this Section 3A.05 in determining the available gas supply of the Company, provided that in determining the amount of gas available to the Company through deliveries by any such pipe line supplier, the signer or signers of any Certificate of Available Gas Supply

(a) shall be governed by the provisions of the next preceding paragraph of this Section 3A.05, if applicable,

(b) shall take into account the extent, if any, to which the gas supply of such pipe line supplier shall be inadequate to meet its then average daily requirements, including its requirements for delivery to the Company, as a result of restrictions

then in effect imposed by the laws or regulations of or applicable to any state, province or other jurisdiction in which such gas is produced, and

(c) shall take into account the expected operating conditions of such pipe line supplier as indicated, in the judgment of the signer or signers of such Certificate, by the operating characteristics of the facilities of such pipe line supplier and the operating experience of such facilities as disclosed by the Company's records of gas deliveries to it by such pipe line supplier and by such other information as to such pipe line supplier's operating history as the signer or signers of said Certificate shall deem relevant.

SECTION 3A.05. *Form of Bonds of the Sinking Fund Series.* The bonds of the respective Sinking Fund Series, and the Corporate Trustee's certificate of authentication to be endorsed upon the bonds of such Series, are to be substantially in the following forms, respectively, with appropriate insertions, omissions, substitutions and variations in case of bonds of different denominations and different series, not inconsistent with the terms of such series set forth in this Article Three A:

No. .... [FORM OF BOND] § .....

NORTHWEST PIPELINE CORPORATION  
Incorporated under the laws of the State of Delaware

FIRST MORTGAGE PIPE LINE BOND, 7% SERIES DUE 19  
Due 1, 19

NORTHWEST PIPELINE CORPORATION, a Delaware corporation (hereinafter sometimes called the Company), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, on 1, 19 \_\_\_\_\_ Dollars, and to pay to the registered owner hereof interest thereon from the date hereof, until payment of the principal hereof becomes due, at the rate of 7% per annum, and on any overdue principal and premium, if any, and (to the extent legally enforceable) on any overdue instalment of interest at the rate of 6% per annum. Interest accruing prior to the expressed maturity of the principal hereof shall be payable semi-annually on the first day of \_\_\_\_\_ and the first day of \_\_\_\_\_ in each year, commencing 1,



19 and continuing to and including 1, 19 . The principal of and premium, if any, and interest on this bond will be paid in coin or currency of the United States of America which, at the time of payment, shall be legal tender for the payment of public and private debts, at the corporate trust office of Chemical Bank or its successor in trust under the Indenture hereinafter mentioned (hereinafter called the Corporate Trustee), in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds of a series, designated as the % Series due 19 , of an authorized issue of bonds of the Company, known as First Mortgage Pipe Line Bonds (hereinafter called the bonds), limited in aggregate principal amount as provided in the Indenture hereinafter mentioned, issued in fifteen separate series of different denominations, dates, maturities and tenor which are provided for under and equally secured by an Indenture of Mortgage and Deed of Trust dated as of January 31, 1974, duly executed and delivered by the Company to Chemical Bank and Francis J. Farrell, as Trustees (such Indenture of Mortgage and Deed of Trust being herein called the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustees in respect hereof, and the terms and conditions upon which the bonds are, and are to be, secured.

The bonds of the % Series due 19 are subject to redemption prior to maturity (a) at the option of the Company or by the application of certain funds held by the Corporate Trustee, as a whole at any time or in part from time to time, upon payment of the then applicable redemption price set forth in the Indenture, or (b) by operation of the Sinking Fund for the bonds of the % Series due 19 provided for in the Indenture, upon payment of the principal amount thereof; together in any case with interest accrued thereon to the redemption date; upon prior notice given by mail, all as more fully provided in the Indenture.

If this bond or any portion hereof (\$1,000 or an integral multiple thereof) is duly called for redemption and payment duly provided for as specified in the Indenture, this bond or such portion hereof shall cease to bear interest on and after the redemption date and shall cease to be entitled to the lien of the Indenture on and after such

date or, in case of redemption of all bonds outstanding under the Indenture, as and after the date payment is so provided for.

This bond is transferable as prescribed in the Indenture by the registered owner hereof in person, or by his duly authorized attorney, at said corporate trust office of the Corporate Trustee, upon surrender of this bond for cancellation, and upon payment, if the Company shall so require, of the charges provided for in the Indenture, and thereupon a new bond or bonds of the % Series due 19 of like aggregate principal amount in authorized denominations will be issued to the transferee in exchange hereof as provided in the Indenture, or the registered owner of this bond at his option may surrender the same for cancellation at said office and receive in exchange herefor the same aggregate principal amount of bonds of the % Series due 19 of other authorized denominations, upon payment, if the Company shall so require, of the charges provided for in the Indenture.

In case an event of default as defined in the Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in the Indenture. Any such declaration may in certain cases be annulled as provided in the Indenture.

To the extent permitted by and as provided in the Indenture, modifications or alterations of the Indenture and of the rights and obligations of the Company and of the holders of the bonds may be made by the Company and the Trustee, by an indenture supplemental to the Indenture, pursuant to the written consent or affirmative vote of the holders of not less than two-thirds in principal amount of the bonds at the time outstanding, including, if more than one series of bonds shall be at the time outstanding, not less than two-thirds in principal amount of certain affected series; provided, however, that no such modification or alteration shall be made without the written approval or consent or the affirmative vote of the holder hereof which will (a) extend the maturity of this bond or reduce the rate or extend the time of payment of interest hereon or reduce the amount of the principal hereof or reduce any premium payable on the redemption hereof or change the date or the amount of any sinking fund payment required to be made in respect of this bond, or (b) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of the Indenture, or (c) authorize issuance of additional bonds under the Indenture, or

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(d) reduce the percentage of the principal amount of the bonds upon the approval or consent of the holders of which modifications or alterations may be made as aforesaid. The Indenture also provides that the holders of specified percentages in principal amount of the bonds at the time outstanding may waive compliance with certain of the covenants, and any past default in the performance of any of the covenants, contained in the Indenture, except any covenant for the payment of the principal of, or interest or premium, if any, on, any of the bonds.

No recourse shall be had for the payment of the principal of or premium, if any, or interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, to or against any incorporator, subscriber, promoter, stockholder, director or officer, past, present or future, as such, of the Company, or of any successor corporation, either directly or through the Company or such successor corporation, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, subscribers, promoters, stockholders, directors and officers, as such, being waived and released by the holder owner hereof by the acceptance of this bond; all as more fully provided in the Indenture.

This bond shall not become or be valid or obligatory for any purpose until the form of certificate endorsed hereon shall have been signed by the Corporate Trustee.

IN WITNESS WHEREOF, NORTHWEST PIPELINE CORPORATION has caused these presents to be executed in its name and behalf by its President or a Vice President and its corporate seal or a facsimile thereof to be hereunto affixed or hereon imprinted and attested by its Secretary or an Assistant Secretary.

NORTHWEST PIPELINE CORPORATION

Dated

By

*Vice President*

Attest:

*Assistant Secretary*



[FORM OF AUTHENTICATION CERTIFICATE]

This bond is one of the bonds of the series designated hereth, referred to in the within-mentioned Indenture.

CHEMICAL BANK

Corporate Trustee

By

Authorized Officer

ARTICLE FOUR

AUTHENTICATION AND DELIVERY OF BONDS

Section 4.01. *Authorized Principal Amount of Bonds—General of Bonds of the Several Series.*

A. The aggregate principal amount of bonds which may be executed by the Company and authenticated and delivered by the Corporate Trustee and be outstanding under and secured by this Indenture shall be limited to \$83,821,000 of the series and of the aggregate principal amount set forth in the sixth Wherein clause of the Indenture, exclusive of bonds issued pursuant to Section 4.11 of this Indenture in the event of lost, stolen or destroyed bonds.

B. After the execution and delivery of this Indenture, and upon the delivery to the Corporate Trustee of

(i) an application of the Company dated as of the effective date of this Indenture requesting the authentication and delivery of the bonds of the Several Series in the respective principal amounts set forth in Sections 4.02 and 4.03 hereof; and

(ii) a resolution of the Board of Directors of the Company, executed by the Secretary or one of the Assistant Secretaries of the Company, authenticating the execution and requesting the authentication and delivery of bonds of the Several Series in the aggregate principal amount of \$83,821,000; and

(iii) an officer's certificate, dated the date of such application, to the effect that:

(1) this Indenture has been filed and is recorded in all jurisdictions in which is located any property that is owned by the Company and intended to become subject to the lien of this Indenture; and

(2) insofar as is known to the signer of such officer's certificate, the Company is not and by the making or granting of such application will not be in default under this Indenture; and

(iv) an opinion of counsel, dated the date of such application, to the effect that:

(1) the issue of the bonds of the Several Series has been duly authorized (x) by the Company and (y) by all governmental and judicial authorities the consent or approval of which is requisite to the legal issue of said bonds (or that no such consent or approval of any governmental or judicial authority is required); and

(2) the Company is duly authorized by law to issue the bonds of the Several Series and is duly entitled to the authentication and delivery of such bonds under the provisions of this Indenture; and upon the issue of such bonds, they will be valid and legally binding obligations of the Company and entitled to the benefits and security of this Indenture,

there may be executed by the Company and delivered to the Corporate Trustee, and the Corporate Trustee shall thereupon authenticate and deliver to or in accordance with such application of the Company, the respective aggregate principal amount of bonds of each of the Several Series set forth in Sections 3.01 and 3A.01 hereof.

**SECTION 4.02. Issuance of Bonds by the Company—Status of Re-acquired Bonds.** When the bonds shall have been authenticated and delivered by the Corporate Trustee upon the application of the Company pursuant to Section 4.01, the Company may issue the bonds so authenticated and delivered pursuant to Section 4.01 hereof solely in exchange for an equal principal amount of first mortgage pipe line bonds of El Paso; but no bond shall be entitled to the lien and security hereof until it shall have been issued by the Company. The Company may reacquire any bonds so issued by it and, so long as no event of default shall have happened and be continuing and the Company shall not be in default in the payment of interest on any of the bonds, may re-issue any bonds so reacquired (including bonds issued by way of pledge or for other limited purposes and thereafter returned to the Company) under the lien and security of this Indenture, but until the same shall have been so re-issued by the Company, no such bonds shall be entitled to the lien and security hereof. The Company, however,



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shall not re-issue any bond which is required by any other provision of this Indenture to be cancelled or held by the Corporate Trustee. The Corporate Trustee may conclusively rely upon an officer's certificate as to the issuance, acquisition and re-issuance of any bonds by the Company pursuant to this Section. Nothing in this Section, however, is intended or shall be construed in such a way as to affect or impair the negotiability of any of the bonds, or as entitling the Company or any other person or persons to deny or contest the status, as fully issued hereunder and secured hereby, of any bond bearing the certificate of authentication of the Corporate Trustee, in the hands of any bona fide holder thereof other than the Company. No person to whom any of the bonds may be sold, pledged or otherwise negotiated shall be required to make any investigation or inquiry as to the issue or re-issue of any bonds under the provisions of this Section.

#### ARTICLE FIVE.

##### REDEMPTION OF BONDS.

SECTION 5.01. In case of the redemption of a part only of the bonds of a particular series, the particular bonds or portions of \$1,000 or any integral multiples thereof of bonds to be redeemed shall be selected by the Corporate Trustee in the following manner:

(a) The Corporate Trustee, subject to the provisions of clause (b) of this Section, shall prorate the principal amount of bonds of such series to be redeemed among all registered owners of bonds of such series in proportion to the principal amount of bonds of such series registered in the name of each such registered owner and shall then designate for redemption with respect to each such registered owner, according to such method (which need not be by lot) as the Corporate Trustee shall deem proper in its discretion, bonds of such series or portions thereof of the principal amount so prorated to such registered owner; provided, however, that in any such prorating pursuant to this clause (a) the Corporate Trustee shall, according to such method as it shall deem proper in its discretion, make such adjustments by increasing or decreasing by not more than \$1,000 the amount which would be allocable on the basis of exact proportion to any one or more registered owners of bonds, as may be necessary to the end that the principal amount so prorated shall be in each instance an integral multiple of \$1,000.



(b) The Corporate Trustee may select the bonds or portions thereof to be redeemed in accordance with the terms of a written agreement, filed with the Corporate Trustee at any time and satisfactory to it, executed by the then registered owners of all of the bonds of such series at the time outstanding, which written agreement may alter in whole or in part the procedure set forth in clause (a) of this Section.

SECTION 5.02. In case the Company shall desire to exercise such right to redeem and pay all or, as the case may be, any part of the bonds of a particular series, in accordance with the right reserved so to do (including bonds to be redeemed for the account of any sinking fund provided for the bonds of such series), notice of its intention to redeem and pay such bonds shall be given as hereinafter in this Section 5.02 provided. Notice of such intention, stating the date on which and the place where the bonds (or portions thereof) are to be redeemed and paid and, if less than all of the outstanding bonds of such series are to be redeemed, specifying the series and numbers of the bonds so to be redeemed in whole or in part, shall be given by deposit of such notice by the Company in the United States mail, first class, postage prepaid, addressed to the persons respectively who shall appear on the bond register of the Company to be registered owners thereof at their addresses as the same shall appear upon such bond register, not less than 30 nor more than 60 days prior to the date so fixed for redemption. Said notice shall also state that the interest on the bonds called for redemption shall cease to accrue on the designated redemption date and shall require that the bonds called for redemption be then presented for payment and redemption. No notice of redemption need be given to any holder of a bond called for redemption if such holder waives notice thereof in writing and such waiver is filed with the Corporate Trustee.

In case of redemption of a part only of the bonds of any series, except in the case of redemption of any bonds for any sinking fund, the Company shall at least forty-five days prior to the redemption date (unless a shorter notice shall be accepted by the Corporate Trustee as sufficient) notify the Corporate Trustee of the principal amount and series of bonds to be redeemed, and thereupon the particular bonds or portions thereof to be redeemed shall be selected by the Corporate Trustee in the manner provided in Section 5.01.

SECTION 5.03. At least one business day prior to the redemption date designated in such notice the Company will deposit or cause to be deposited with the Corporate Trustee, or will irrevocably direct the Corporate Trustee to apply from cash deposited with it and available for the redemption of bonds, an amount of cash equivalent to the applicable redemption price of the bonds and portions thereof so called, and the accrued interest unpaid on the principal amount of the bonds and portions thereof so called to the redemption date designated in such notice, and all proper expenses and charges payable to the Trustees hereunder. Said amount of cash so deposited with the Corporate Trustee or so directed to be applied by it, shall on and after the redemption date so designated stand in lien of the security of this Indenture with respect to all bonds or portions thereof so called, and such bonds or such portions thereof shall not thereafter be entitled to the benefits of this Indenture, except that said amount of cash (other than amounts attributable to the expenses and charges payable to the Trustees) shall be held by the Corporate Trustee for and be paid by it to the holders of said bonds as and when the same shall be surrendered to said Trustee at any time thereafter; provided, however, that any such cash remaining unclaimed by the holders of such bonds for six years after the date the same shall have become payable, shall be paid by the Corporate Trustee to the Company, upon the application of the Company, and the holder of such bonds shall thereafter be entitled to look only to the Company for the payment thereof; provided that the Corporate Trustee, before being required to make such payment to the Company, may, at the expense of the Company, cause notice that such cash has not been so claimed and that after a date named therein it will be returned to the Company, to be published at least once in each week for three consecutive calendar weeks in a newspaper printed in the English language, customarily published on each business day and of general circulation in the city or in each such newspaper in each of the cities where such bonds are payable.

In case of a call of all of the bonds of a particular series for redemption and the deposit with the Corporate Trustee of the entire amount of the redemption price thereof including interest as herein provided, any moneys held by the Corporate Trustee in the sinking fund provided for such particular series of bonds called for redemption shall be paid by the Corporate Trustee to the Company upon the application of the Company, except moneys held for the payment of interest due on

any of said bonds prior to the redemption date or for payment of the redemption price, including interest on any of such bonds previously called for redemption out of said sinking fund moneys.

SECTION 5.04. In the event that the principal of any of the bonds or portions thereof called for redemption is payable in a city or cities where the Corporate Trustee does not have an office, said Trustee may appoint any bank, trust company or national bank located in such city as depository of the moneys deposited under Section 5.03 in respect of the bonds the principal of which is payable in such city or cities, and may deposit such moneys with the depository so appointed, to be applied as in Section 5.03 provided. After such deposit, unless made with it, the Corporate Trustee shall not be under any further liability in respect of the application of said moneys.

SECTION 5.05. In case of any call of bonds for redemption hereunder (due notice thereof under the terms of this Indenture having been given), the bonds and the portions thereof so called for redemption shall, on the redemption date stated in the call, become and be due and payable at their redemption price, plus interest to such redemption date, and from and after said date interest shall cease to accrue on said bonds and portions thereof, unless payment to the holders thereof is refused upon presentation pursuant to such call. The withholding of payments, during such time as may be reasonably required by the Corporate Trustee or the Company to satisfy itself as to the right of any demandant to receive the same, shall not be deemed a refusal to pay.

SECTION 5.06. If, in case of partial redemption, there shall be selected for redemption a portion of a bond, then, upon presentation of such bond, the amount payable in respect of the portion thereof so selected for redemption shall be paid to the holder of such bond or upon his order, and if the holder thereof shall so request the Company shall sign and seal and the Corporate Trustee shall thereupon authenticate and deliver to the holder thereof or upon his order, at the expense of the Company, a new bond or bonds for the unredeemed portion of said surrendered bond; or, in the absence of such request by the holder thereof, the Corporate Trustee, in lieu of authenticating and delivering a new bond or bonds for the unredeemed portion of such bond, shall



make notation thereon of the portion thereof so redeemed and, return such bond to or on the written order of the holder thereof; provided, however, that payment of the redemption price of a portion of any bond may be made by the Company directly to the holder thereof without presentation or surrender thereof if there shall be filed with the Corporate Trustee an officer's certificate that such holder (or the person for whom such holder is a nominee) and the Company have entered into a written agreement that payment shall be so made, and that such holder shall not sell, transfer or otherwise dispose of such bond unless for to delivery thereof such bond shall have been presented to the Corporate Trustee for appropriate notation thereon of the portion of the principal amount thereof which has been redeemed or shall have been surrendered in exchange for a new bond or bonds for the unredeemed balance of the principal amount thereof.

SECTION 5.07. All bonds redeemed as aforesaid shall be cancelled by or under the direction of the Corporate Trustee and shall be delivered by said Trustee to the Company upon the written request of any of its officers.

SECTION 5.08. An officer's certificate as to the giving of proper notice of such redemption, where such notice shall not have been given by the Corporate Trustee, shall be furnished to the Corporate Trustee on or before the date of redemption and such certificate shall be full and complete authority to said Trustee for any action to be taken by it pursuant to this Article.

SECTION 5.09. If at any time there shall be held by the Corporate Trustee any moneys which by any of the provisions of this Indenture are required or authorized to be applied by it to the redemption of bonds secured hereby, or which the Company shall have directed it to so apply, the Company shall, upon request of said Trustee, forthwith take or cause to be taken all action necessary to call the appropriate principal amount and series of bonds for redemption, as so required or authorized, and to cause notice thereof to be given as provided in this Article; and if the Company shall fail or refuse, upon request of said Trustee, to take or cause to be taken any such action, or give any such notice, then said Trustee is hereby irrevocably authorized and empowered, either in the name or on behalf of the Company or in its own

name as said Trustee, to call such bonds for redemption and to give such notice, with like force and effect as if taken or given by the Company. Any moneys on deposit with the Corporate Trustee which it is required or authorized to apply to the redemption of bonds called for redemption shall, on and after the date designated for the redemption thereof, be deemed to have been deposited with, and shall be held and applied by, said Trustee, as provided in Section 5.03.

## ARTICLE SIX.

### PARTICULAR COVENANTS OF THE COMPANY

The Company, for itself, its successors and assigns, covenants and agrees as follows:

SECTION 6.01. That it will duly and punctually pay or cause to be paid to the several holders of all the bonds issued and outstanding hereunder the principal thereof, the premium (if any) thereon and the interest accruing thereon, on the dates and at the place and in the manner provided herein and in the bonds when and as the same become payable, whether at maturity, on redemption, by acceleration of maturity or otherwise, according to the true intent and meaning thereof.

SECTION 6.02. That in order to prevent any accumulation of claims for interest after maturity, it will not, directly or indirectly, extend or assent to the extension of the time for the payment of any claim for interest upon any of the bonds; and it will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or refunding such claims for interest. No claim for interest on any bond issued hereunder which is so extended or which in any way, at or after maturity, shall have been transferred or pledged separate or apart from the bond to which it relates (unless accompanied by such bond) shall be entitled, in the case of a default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of the bonds issued hereunder and of all claims for interest not so transferred or pledged. When and as the interest to accrue on the bonds issued hereunder is paid, said claims for interest shall be canceled, and no purchase or sale of any past due claims for interest, nor any advance or loan thereon made by or on behalf of, or at the request of, or with the privity of, the Company, and no redemption of said claims for

interest, or any of them, by any guarantor of the payment thereof, shall be taken or shall operate to keep said claims for interest alive or in force under this Indenture, except after the prior payment in full of the principal of all the bonds and of all claims for interest not so purchased or funded. In case the time for the payment of any claims for interest on the bonds issued hereunder be extended, whether with or without the consent of the Company such claims for interest shall be subordinated to the prior payment in full of all the bonds then outstanding and of all claims for interest, the time for the payment of which shall not have been so extended.

SECTION 6.03. That it is duly authorized to do business and own property, both real and personal, in the States of Colorado, Idaho, New Mexico, Oregon, Utah, Washington and Wyoming; that, subject only to permitted encumbrances, on the effective date of this Indenture, it will own and will be possessed of the properties, contracts and securities specifically described in this Indenture and the Schedules of Mortgaged Properties annexed to this Indenture (other than excepted property), all to the extent therein stated and hereby granted, mortgaged, assigned or pledged, and has and will have good right, full power and lawful authority to grant, bargain, sell, alien, remise, release, convey, mortgage, warrant, confirm, pledge, assign, transfer and set over the same in the manner and form hereby done or intended (except that as to rights of way for portions of the pipe lines of the Company not passing through land owned by the Company, its covenants only that it has, and will continue to have so long as any of the bonds shall be outstanding, a right of way sufficient for the purpose of the operation of the pipe lines thereon, and that this Indenture is and will continue to be a first lien or charge on such rights of way subject only to permitted encumbrances); that the Company will warrant and defend the title to such properties to the Trustees against the claims of all persons whomsoever, to the extent set forth above; and that it will maintain and preserve the lien of this Indenture so long as any of the bonds issued hereunder are outstanding.

That all property of the character described in the Granting Clauses hereof and in the Schedules of Mortgaged Properties annexed to this Indenture (other than excepted property) and purported to be mortgaged and pledged hereby, which hereafter may be acquired or constructed by the Company, immediately upon the acquisition or construction thereof by the Company and without any further conveyances



or assignment, shall become and shall be subject to the lien of this Indenture as fully and completely as though now owned by the Company and specifically described herein.

SECTION 6.04. That it will cause this Indenture and any and all supplemental indentures and instruments of conveyance, transfer, assignment or further assurance (including financing and continuation statements under the Uniform Commercial Code) and notices of assignment at all times to be kept recorded and filed in such manner and in such places as may in the opinion of counsel be required by law in order fully to preserve and protect the rights of the bondholders and the Trustees hereunder in respect of the lien of this Indenture as a mortgage on real estate and interests therein (including rights of way as defined in Section 1.09) and on gas leasehold estates (whether or not real estate or interests therein), and pipe lines and appurtenances thereto, gas wells and appurtenances thereto, and buildings, structures and equipment, installed thereon, and on any other property described in this Indenture or any such supplemental indenture or other instrument, and in respect of the lien of this Indenture on the right, title and interest of the Company under, in and to contracts assigned to and pledged with the Trustees hereunder, and that it will furnish to the Corporate Trustee

(a) promptly after the execution and delivery of each such supplemental indenture or other instrument, an opinion of counsel either stating that in the opinion of such counsel

(i) such supplemental indenture or other instrument (and any financing or continuation statement under the Uniform Commercial Code) has been properly recorded and filed so as to make effective the lien intended to be created thereby on real estate and interests therein (including rights of way as defined in Section 1.09) specifically described in such supplemental indenture or other instrument and on gas leasehold estates (whether or not real estate or interests therein) specifically described in such supplemental indenture or other instrument, and pipe lines and appurtenances thereto, gas wells and appurtenances thereto, and buildings, structures and equipment, installed thereon or on other property specifically described in such supplemental indenture or other instrument (except in each case as to properties which at the date of such opinion have been released or disposed of pursuant to the terms of this Indenture), and

(iii) all necessary notices of assignment have been filed or recorded in order to make effective the lien to be created by such supplemental indenture or other instrument on the right, title and interest of the Company in and to any contracts assigned to and pledged with the Trustees by such supplemental indenture or other instrument

and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make the lien effective; and

(b) on or before July 1 of each year, beginning with the year 1974, an opinion of counsel either (i) stating that the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording and refiling of this Indenture and of each such supplemental indenture or other instrument, or of notices of assignment and financing and continuing statements under the Uniform Commercial Code, as is necessary to maintain the lien of this Indenture as a mortgage on real estate and interests therein (including rights of way as defined in Section 1.00) specifically described in this Indenture or any such supplemental indenture or other instrument and on gas leasehold estates (whether or not real estate or interests therein) specifically described in this Indenture or any such supplemental indenture or other instrument, and pipe lines and appurtenances thereto, gas wells and appurtenances thereto, and buildings, structures and equipment, installed thereon or on other properties specifically described in such supplemental indenture or other instrument (except in each case as to properties which at the date of such opinion have been released or disposed of pursuant to the terms of this Indenture), and to maintain the lien of this Indenture on the right, title and interest of the Company in and to the contracts assigned to and pledged with the Trustees hereunder, and reciting the details of such action, or (ii) stating that in the opinion of such counsel no such action is necessary to maintain such lien. Such counsel may make reference to opinions previously rendered to the Trustees, or either of them, in which are set forth pertinent details of the actions taken.

The requirements of this Section as to filing and recording shall be deemed to be complied with if any opinion of counsel required by this Section shall state that this Indenture or the supplemental indenture or other instrument in question has been deposited for recording and filing in each public office in which it is required to be recorded and filed and that, in the opinion of such counsel, such deposit and filing constitutes notice of such instrument and no further action need be taken by the Company to make effective the lien created thereby.

That it will do and perform all matters or things necessary or expedient to be done or observed by reason of any law of the United States or of any State or by other competent authority, for the purpose of creating, performing and maintaining the trust hereby created, for the security of the payment of the bonds and the interest thereon, and to perform all the obligations hereby imposed upon the Company.

That it will execute and deliver such further instruments (which instruments may provide that defaults in the conditions or covenants thereof shall constitute defaults in the conditions or covenants of this Indenture) and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Indenture and to make subject to the lien hereof any property, rights or interests described herein and/or intended to be covered hereby and/or any property, rights or interests hereafter acquired and intended to be covered hereby and/or to transfer to any new trustee or trustees the estate, powers, instruments or funds held in trust hereunder; and that it will duly and punctually perform each and every covenant which may be contained in any such instrument supplemental hereto executed in accordance with the provisions hereof.

Nothing in this Section contained shall be construed as requiring the Trustees, or making it a part of the duty of the Trustees, to examine as to, or to determine the necessity for, any filing or refiling, recording or re-recording, deposit or re-deposit, registration or re-registration of this Indenture or of any other instrument, and the Trustees shall incur no liability whatsoever by reason of their neglect or failure at any time to require this Indenture and/or any other instrument so to be filed or re-filed, recorded or re-recorded, deposited or re-deposited or registered or re-registered.

The Corporate Trustee is hereby authorized to and will execute and file such continuation statements with respect to financing statements under the Uniform Commercial Code relating to the security interest created hereunder as may be specified from time to time in written instructions delivered by any holder or holders of more than 5% in aggregate principal amount of the bonds then outstanding (which instructions may, by their terms, be operative only at a future date and which shall be accompanied by the form of such continuation statement so to be filed).



**Section 6.05.** That it will from time to time promptly pay and discharge all mortgage recording and/or filing fees and charges, and all taxes, assessments, water rates and governmental charges or levies legally imposed upon this Indenture or the mortgaged property or any part thereof, or upon the interest of the Trustees therein, or upon the income and profits thereof, the lien whereof might or could be held to be prior to the lien hereof, so that the same shall not fall into arrears, and so that the priority of the lien of this Indenture shall be duly preserved; that it will not suffer any mechanics', laborers' or other liens (except permitted encumbrances, or liens or encumbrances subject to which property is acquired or purchase money mortgages or liens created by the Company within the limitations provided by Section 6.17) to be hereafter created or remain upon the mortgaged property, or any part thereof, or the income therefrom, prior to the lien of this Indenture; and within thirty days after the accruing of any lawful claims or demands for labor, material, supplies or other objects, which if unpaid might by law be given precedence over this Indenture as a lien or charge upon the mortgaged property or any part thereof or the income therefrom, it will pay or cause to be discharged or make adequate provision to satisfy or discharge the same; and that it will not knowingly do or suffer any matter or thing whatsoever whereby the lien of this Indenture might or could be impaired; and that it will duly observe and conform to all valid acts, rules, regulations, orders, directions and other requirements of any governmental authority relative to any of the mortgaged property, and will maintain said mortgaged property in full compliance therewith and in condition satisfactory to and approved by insurance companies and the board of underwriters and other similar organizations as to risks covered by insurance; provided, however, that nothing contained in this Section 6.05 shall require the Company to pay or cause to be paid any such tax, assessment, levy or governmental charge or other claim or to conform to any such act, rule, regulation, order, direction or other requirement of any governmental authority so long as the Company in good faith shall consider the validity thereof by appropriate proceedings and no prejudice to the interests of the holders of the bonds may, in the opinion of the Trustees, or either of them, result therefrom.

**Section 6.06.** That, subject to the provisions of Section 7.01, it will, at its own cost and expense, do and cause to be done all things necessary to preserve and keep in good repair, working order and

dition all of the property which is now or hereafter may be subject to the lien of this Indenture or of any indenture supplemental hereto, and keep in full force and effect all its rights, privileges, permits and franchises hereby mortgaged, pledged or assigned and from time to time make all needful and proper repairs and renewals and replacements to the extent necessary in order that at all times the efficiency of the pipe lines, delivery systems, plants and properties of the Company hereby mortgaged shall be fully preserved and maintained and do or cause to be done all things necessary to preserve and to keep valid and intact the lien and encumbrance hereby created.

The Company covenants that each of its subsidiaries will do or cause to be done all things necessary to preserve and keep in good repair, working order and condition all of the property which may from time to time be owned by them respectively and from time to time will make all needful and proper repairs, renewals and replacements thereof, and will keep in full force and effect all their rights, privileges, ordinances and franchises, all to the extent necessary so that at all times the efficiency of the pipe lines, delivery systems, plants and properties of the subsidiaries shall be fully preserved and maintained, and will to the best of their ability maintain, preserve and cause to be extended and continued, until the satisfaction of this Indenture, all their rights and their corporate existence and corporate rights and privileges granted and confirmed by law or otherwise to them, provided, however, that nothing herein contained shall be construed to obligate any subsidiary to retain, preserve, repair, renew or replace any property, rights, privileges, ordinances or franchises no longer used or useful in the conduct of its business, or to obligate the Company or any subsidiary to continue and maintain the corporate existence and corporate rights and privileges of such subsidiary if the Company shall determine that it is advisable and in the best interests of the Company and the holders of the bonds hereunder that such subsidiary be dissolved or that its separate corporate existence be otherwise terminated. In the event of such dissolution or other termination of the corporate existence of such subsidiary the applicable provisions of Article Eight shall be complied with.

SECTION 6.07. That it will keep all the mortgaged property which is of a character usually insured by companies similarly situated insured against loss, damage or liability by fire or other risks against

which insurance is usually carried by such companies operating in the same territory and/or under similar climatic conditions (including damage insurance, as and to the extent generally available from the agency of the United States Government upon terms believed by the Company to be not unreasonable) to a reasonable amount, by a reputable insurance company or companies (which term shall include stock companies, mutual companies, reciprocal and Lloyds associations), against loss in excess of \$100,000 to be made payable to the Corporate Trustee as its interests may appear; and, if so requested in writing by the Trustees or either of them, will cause policies for such insurance to be delivered to the Corporate Trustee. The Corporate Trustee, however, shall not be under any duty to demand possession of the policies.

The Company will deposit with the Corporate Trustee during the month of September in each year, and at such other times as the Corporate Trustee may demand, a detailed statement signed by the Treasurer or an Assistant Treasurer of the Company of the insurance policies outstanding and in force at the date of such statement upon the said property of the Company or any part thereof, including the names of the insurance companies which have issued the policies, the amounts and dates of expiration thereof, the property covered thereby and the names of the beneficiaries, and stating that such insurance complies with the requirements of this Section 6.07.

The Company covenants and agrees that any insurance moneys received directly by it shall be applied only to the replacement of and to improvements on the mortgaged property and that to the extent so applied the same shall be promptly deposited with the Corporate Trustee, subject to withdrawal in accordance with the provisions of the next succeeding paragraph of this Section 6.07.

Any insurance moneys received by the Trustees or either of them shall be held by the Corporate Trustee and upon receipt of application of the Company so requesting shall be paid over to the Company for expenditures made in repairing or replacing the damaged or destroyed lands, buildings or property for which such insurance moneys were paid, upon receipt by the Corporate Trustee of a certificate of the Treasurer or an Assistant Treasurer of the Company showing the cash expenditures made for such purposes, and stating that the same do not exceed the fair value to the Company of such repairs and replacements.



In the case of any adjustment of any loss covered by any policies of insurance, the Trustees shall be protected in acting upon the adjustment agreed to and accepted by the Company and set forth in a statement signed in the name of the Company by its President or one of its Vice Presidents or its Secretary or Treasurer, and the Trustees shall be under no liability or duty to look beyond such statement, but shall be fully protected in acting in accordance therewith.

SECTION 6.08. That, so long as any of the bonds are outstanding,

(a) the Company will not permit any of its subsidiaries

(1) to sell, transfer or otherwise dispose of all or substantially all of its assets and property, except to the Company or to a corporation which is or then will be a subsidiary, or to consolidate with or merge into any other corporation, except the Company or a corporation which is or then will be a subsidiary; or

(2) to issue any additional shares of its capital stock unless after such additional shares shall have been issued, the Company shall own no less than the percentage of the then issued and outstanding shares of capital stock and of stock entitled to vote on the election of directors of such subsidiary which the Company owned prior to such issuance;

(b) the Company will forthwith deliver to the Corporate Trustee all stock certificates representing additional shares of capital stock issued by any subsidiary to it, and all stock certificates representing shares of stock of any controlled corporation owned by it and all obligations or other securities of any controlled corporation which the Company may desire to pledge hereunder, and will execute and deliver to the Corporate Trustee all instruments of assignment or transfer or supplemental indentures which, in the opinion of counsel, may be necessary to subject the same to the lien of this Indenture;

(c) the aggregate amount of the investments of the Company and its subsidiaries in all persons other than subsidiaries shall not at any one time exceed the sum of \$3,000,000 in the case of Pacific Northwest Realty Corporation, a Delaware corporation, plus the aggregate sum of \$25,000,000 in respect of other such persons; provided, however, that in any computation for the purposes of this subdivision (c), shares of stock, obligations or other securities or evidences of interest in a person other than a subsidiary acquired by the Company through the issuance in exchange therefor of stock of the Company of any class or

assets and/or through the application of the proceeds of the substantially simultaneous sale of stock of the Company of any class or classes shall not be deemed to constitute an investment in such person;

(d) neither the Company nor any subsidiary or controlled corporation shall, directly or indirectly, pay any funds to or in the account of, make any investment in, advance any payments or short-term investment in, or furnish any security to, or lease, sell, transfer or otherwise dispose of any assets, tangible or intangible, or securities to, or purchase, lease or otherwise acquire any assets, tangible or intangible, or securities from any controlling corporation or any affiliate thereof (other than a corporation all the outstanding capital stock of which is owned by the Company); provided, however, that notwithstanding the provisions of this subdivision:

(i) the Company may declare and pay any dividends permitted by Section 6.12;

(ii) a subsidiary or controlled corporation may declare and pay dividends to its shareholders;

(iii) the Company or any subsidiary or controlled corporation may pay salaries and fees to its officers and directors for services rendered in such capacities and may pay fees for services and advice (in an amount which bears a reasonable relationship to the amount and type of such services and advice) to directors who provide such services and advice generally on a fee basis to persons other than the Company or its subsidiary or controlled corporation;

(iv) the Company or any subsidiary or controlled corporation may make sales to or purchases from or furnish services to or enter into leases with any controlling corporation or its affiliate thereof and, in connection therewith, extend credit, make payments, and may make payments for services rendered by such controlling corporation or any affiliate thereof, if such sales, purchases, leases, extensions of credit or payments are made or such services are rendered in the ordinary course of business and on terms and conditions at least as favorable as the Company or such subsidiary or controlled corporation would make on the terms and conditions which would apply in a similar transaction with a person other than any controlling corporation or any such affiliate;

(v) the Company or any subsidiary may make advance payments if the terms and conditions of such payments are at least as favorable to the Company or such subsidiary.

the terms and conditions which could have been obtained at the time of such payment in a similar transaction with a person other than a controlling corporation or any such affiliate; and

(vi) the Company or any subsidiary or controlled corporation may make payments of principal, interest and premium on any indebtedness of the Company or such subsidiary or controlled corporation held by a controlling corporation or any such affiliate if the terms and conditions of such indebtedness are at least as favorable to the Company or such subsidiary or controlled corporation as the terms and conditions which could have been obtained at the time of the creation of such indebtedness in a similar transaction with a person other than a controlling corporation or any such affiliate; and

(e) except as set forth in the proviso below, neither the Company nor any subsidiary or controlled corporation will consolidate with or merge into any controlling corporation or any affiliate thereof nor shall any controlling corporation or any such affiliate consolidate with or merge into the Company or any controlled corporation or subsidiary, in either case singly or with one or more other corporations, except on terms and conditions at least as favorable to the Company or such controlled corporation or subsidiary, as the case may be, as those which would apply in a similar transaction with a person other than a controlling corporation or such affiliate and then only so long as such merger or consolidation is otherwise permitted by and is in compliance with the other provisions of this Indenture, including Sections 13.01 and 13.02 hereof; provided, however, that anything in this subdivision (e) of this Section 6.08 to the contrary notwithstanding, any subsidiary or controlled corporation all the outstanding capital stock (other than director's qualifying shares) of which is owned by the Company may consolidate with or merge into the Company or any other such subsidiary or controlled corporation and the Company may consolidate with or merge into any such subsidiary or controlled corporation so long as any such merger or consolidation is otherwise permitted by and is in compliance with the other provisions of this Indenture, including Sections 13.01 and 13.02 hereof.

The term "investment" of the Company, a subsidiary or a controlled corporation shall, for purposes of this Section 6.08 and Section 6.12, include all investments (other than advance gas payments and short-term investments) made by the Company, such subsidiary or controlled corporation by way of stock purchase, capital contribution, loan, advance, acquisition of indebtedness, guaranty of any indebtedness or creation or assumption of any other liability in respect of any



indebtedness of any person or otherwise including, but without limitation, any liability arising from obligations of others guaranteed (otherwise than for purposes of collection in the course of business) by the Company or such subsidiary or corporation or which the Company or such subsidiary or corporation is obligated, contingently or otherwise, to purchase which the Company or such subsidiary or controlled corporation is otherwise contingently liable but excluding indebtedness of capital to the Company, a subsidiary or controlled corporation in the course of business.

The aggregate amount of all investments shall be computed in accordance with sound accounting practice, provided, however, in computing the amount of any investment in any person:

(1) the amount of any investment existing at February 1, 1974, shall be the amount at which such investment was reflected on the books of the Company or a subsidiary or controlled corporation;

(2) in the case of any investment made in cash after February 1, 1974, the amount of such investment shall be the amount of cash so invested, and in the case of any investment made in property, such date, shall be the fair value of such property (as determined by the Board of Directors of the Company) or the net book value of property on the books of the Company or such subsidiary or controlled corporation (in accordance with sound accounting practice) at the date of the making of such investment (whichever is greater);

(3) undistributed earnings of such person shall not be included;

(4) there shall not be deducted from the amounts invested in any person any amounts paid to the Company, a subsidiary or controlled corporation as earnings on its investment therein, whether by way of dividends, interest or payments of the same nature;

(5) there shall be disregarded all increases or decreases in investments in such person, or write-ups, write-downs, or write-offs after February 1, 1974, in investments in such person; and

(6) a guarantee or other similar liability in respect of the indebtedness of any person shall be deemed an investment equal to

principal amount of such indebtedness plus the net amount which the Company, a subsidiary or controlled corporation has paid by reason of its guarantees.

The term "advance gas payments" as used in this Section 6.08 means and includes all payments made by the Company or any subsidiary (a) to producers or pipeline companies for gas in advance of receiving such gas, (b) to producers for exploration for gas or liquid hydrocarbons where the Company has first call on such gas and/or liquid hydrocarbons discovered from producing wells and where the producer is required to refund any such payment without interest to the extent that the project does not result in sufficient production to repay in full such payments, and (c) to producers for discovered gas in place but not yet produced where the Company has first call on any such gas produced, if, but only if, any such payment under (a), (b) or (c) is allowed by the Federal Power Commission for rate treatment purposes to be recouped in rates charged to customers.

The term "short-term investments" as used in this Section 6.08 means (a) securities issued or guaranteed by the Government of the United States and maturing not more than 18 months after date of purchase, (b) open market commercial paper with an original maturity not in excess of 12 months which, at the date of acquisition, has the highest credit rating by either Standard & Poor's Corporation or Moody's Investors Service, Inc., and (c) negotiable certificates of deposit with a maturity of 12 months or less issued by banks organized and doing business under the laws of the United States of America or any State thereof and having a combined capital and surplus of not less than \$50,000,000, to the extent that the aggregate of such certificates of deposit in any one bank shall not exceed 5% of the combined capital and surplus of such bank.

SECTION 6.09. That the Company, at all times until the payment of the principal of all the bonds, will keep an office or agency in the Borough of Manhattan, City and State of New York, the address of which shall be furnished to the Corporate Trustee, at which may be left or to which may be mailed notices to and demands upon the Company, which shall constitute due service thereof upon the Company. If the Company shall fail to maintain such office or agency, or shall



fail to furnish the Corporate Trustee the address thereof, the corporate trust office of the Corporate Trustee shall be an office or agency for such purpose.

Section 6.10. That it will not issue, sell, exchange or dispose of any bonds secured hereby in any manner contrary to the provisions of this Indenture.

Section 6.11. That, so long as any of the bonds remain outstanding hereunder, the charges for depreciation made by the Company and its subsidiaries for each calendar month will be not less than 1/12th of an amount equal to 3% of (i) in the case of the Northwest Division Properties, the gross depreciable amounts of all such properties as shown on the books of El Paso at the time of acquisition thereof by the Company from El Paso; and (ii) in the case of any other properties owned by the Company and its subsidiaries (including replacements of or additions to the Northwest Division Properties) the amounts recorded in the fixed property accounts of the Company and its subsidiaries in respect thereof, provided, however, that the Federal Power Commission or other regulatory body having authority in the premises shall permit the Company to make charges for depreciation of such properties at a rate higher than 3% per annum when the Company and its subsidiaries shall make such charges at not higher rate but not in excess of 4% per annum. The amounts so recorded in the fixed property accounts of the Company and its subsidiaries to be taken in each instance as of the end of the month next preceding the month for which such computation is being made; provided, however, that in applying the foregoing percentages there shall be deducted in each case from the amount recorded in such fixed property account (i) a proper allowance, determined in accordance with sound accounting practice, for the estimated net salvage value, if any, of the property in question, and (ii) amounts so recorded in respect of property for which provision for depreciation has theretofore been made in an amount equal to the amount so recorded in respect of such property less proper allowance for estimated net salvage value as provided in (i) above.

The foregoing provisions of this Section 6.11 shall have no application to provision for depreciation and depletion of gas production properties or to charges for depreciation or to provision for depreciation and depletion in respect of oil, by-product and petrochemical properties.



or metallic or mineral properties or other properties not subject to the lien of this Indenture, and references in this Section 6.11 to amounts recorded in fixed property accounts of the Company and its subsidiaries shall not include any amounts so recorded in respect of gas production properties or of oil, by-product and petrochemical properties or metallic or mineral properties or other properties not subject to the lien of this Indenture. The provision for depreciation and depletion of gas production properties made by the Company and its subsidiaries for each calendar month shall be in the amounts resulting from the "Unit of Production" method and shall be determined by multiplying the units produced during such month from the properties in question by rates computed by dividing the net depreciable and depletable investment in such properties by the estimated recoverable reserves attributable thereto remaining as of the beginning of such month. The net depreciable and depletable investment shall be the cost of the gas production properties as recorded in the fixed property accounts of the Company or a subsidiary (less proper allowance for the estimated net salvage value thereof) reduced by the accumulated depreciation and depletion reserve recorded in the books of the Company or of such subsidiary in respect of such properties.

If at any time the Federal Power Commission or other regulatory body having authority in the premises shall have limited or reduced the amounts which may be charged by the Company and/or any subsidiary for depreciation or depletion to amounts less than those resulting from the application of the foregoing provisions of this Section 6.11, then the maximum amounts permitted by such Commission or other regulatory body shall be charged in lieu of the amounts hereinabove provided for.

SECTION 6.12. That, so long as any of the bonds are outstanding, the Company will not, directly or indirectly,

(a) declare or pay any dividends or make any other distribution on any of its capital stock of any class (other than cash dividends on shares of any class of such stock ranking prior to the Common Stock in respect of dividends or assets at the rate applicable to such shares under the Certificate of Incorporation of the Company, as amended from time to time, and other than dividends on Common Stock paid solely in shares of Common Stock of the Company), or

(b) purchase, redeem or otherwise retire for a term in any shares of its capital stock of any class (other than in a transaction involving the purchase, redemption or retirement of shares of capital stock of this Company, other than Common Stock, in exchange for or from the proceeds of a substantially simultaneous sale of other shares of capital stock of the Company and not resulting in a reduction of the capitalization of the Company below an amount equal to 75% of the aggregate principal amount of all outstanding debt and excess current debt of the Company), except any debt of any class of stock ranking prior to the Common Stock with respect of dividends or assets which may be purchased, redeemed or otherwise retired to the extent required to conform with the provisions of any sinking fund applicable to such debt under the Certificate of Incorporation of the Company as amended from time to time,

if

(i) any such dividend is declared to be payable more than 75 days after the date of declaration; or

(ii) after giving effect to such dividend, distribution, purchase, redemption or retirement, the aggregate principal amount of all funded debt and all excess current debt of the Company would exceed 75% of the total capitalization of the Company;

(iii) after giving effect to such dividend, distribution, purchase, redemption or retirement, the aggregate amount of such dividend, distribution, purchase, redemption or retirement declared or distributed for all such dividends or distributions after January 31, 1974, plus the amount of any cash dividends paid on any shares of its capital stock of any class ranking prior to its Common Stock (other than amounts so paid to represent the disbursement of sums received by the Company as accrued dividends as a part of the selling price of such shares) after January 31, 1974, to and including the date of declaration, in the case of a dividend, or the date of retirement in any other case, would exceed the greater of (a) 10% of the net earnings of the Company for such period or (b) the amount by which such aggregate net earnings of the Company exceed \$10,000,000, less, in each case, the amount of cash payments for retirement or sinking fund payments on any shares of its capital stock of any class ranking prior to its Common Stock, for the year in which as of the end of any quarter Common Stock of the Company is less than 25% of the total capitalization of the Company.

The term "Common Stock equity of the Company" shall mean, at any date as of which the amount thereof is to be determined, the aggregate of the amount of the Common Stock liability of the Company, plus (or minus in the case of a deficit) the capital surplus applicable to the Common Stock and earned surplus of the Company, plus any premium on Common Stock of the Company, all as determined in accordance with sound accounting practices.

The term "total capitalization of the Company" shall mean, at any date as of which the amount thereof is to be determined, the aggregate of: (a) the amount of the capital stock liability of the Company, plus (or minus in the case of a deficit) the capital surplus and earned surplus of the Company, plus any premium on capital stock of the Company of any class less investments by the Company (other than the investment of not exceeding \$3,000,000 in Pacific Northwest Realty Corporation, a Delaware corporation) in any person other than a subsidiary, all as determined in accordance with sound accounting practice, (b) the aggregate principal amount of all funded debt of the Company outstanding on such date and (c) the aggregate principal amount of all excess current debt of the Company outstanding on such date. The term "funded debt" shall mean all indebtedness of the Company (other than permitted indebtedness as hereinafter defined), which matures by its terms, or is renewable at the option of the obligor or borrower to a date, more than one year after the date of its creation or incurring by the Company or more than one year after the date of the acquisition by the Company of property subject to a lien securing the same. The term "excess current debt" of the Company shall mean all current debt ("current debt" meaning all indebtedness for borrowed money maturing by its terms not more than one year after the date of creation, incurrence, or assumption hereof and not extendible or renewable by its terms at the option of the borrower or obligor) of the Company in excess of an amount equal to 10% of the aggregate principal amount of all funded debt of the Company at the time outstanding.

For the purposes of this Section 6.12, the term "permitted indebtedness" of the Company means and includes

(1) any indebtedness secured solely by a lien or encumbrance on any gas and/or oil production property existing at



the time of the acquisition of such property by the Company or indebtedness created or incurred for the purpose of renewing, refunding or extending any indebtedness secured by any such lien or encumbrance, if the Company shall not have created, incurred, assumed, guaranteed or otherwise have obligated itself for the payment of any such indebtedness and if any lien or encumbrance securing any such indebtedness does not extend to any property of the Company except the gas and/or oil production property originally acquired by the Company, replacements thereof and any wells drilled or other fixed improvements installed or constructed thereon;

(ii) obligations secured by liens and encumbrances which are "permitted encumbrances" under the provisions of this Indenture, other than liens and encumbrances permitted solely because the same are junior to the lien of this Indenture;

(iii) amounts carried on the liability side of the balance sheet of the Company representing contributions by a customer toward the cost of construction of pipe lines or other facilities to serve such customer; and

(iv) indebtedness representing unsecured advances made by or on behalf of customers either (a) toward the cost of construction or acquisition of pipe lines or other facilities to serve such customers or (b) toward the cost of acquisition or development of gas production properties, which indebtedness is payable only out of all or a portion of gas bills for deliveries of gas to the customers by or on whose behalf such advances were made.

For the purposes of this Section 6.12, the amount of any dividend declared or distribution or payment made in property of the Company shall be deemed to be the book value of such property at the time of declaration in the case of dividends, or at the date of distribution or payment in any other case.

The Company will not permit any subsidiary or any controlled corporation to purchase any shares of any class of capital stock of the Company from any person other than the Company.

For the purposes of this Section 6.12, the term "net earnings of the Company" means the sum of the operating revenues and other income of the Company, less all proper deductions for operating expenses, taxes (including income taxes or other taxes based upon or measured by or in respect of net earnings or income or based upon or measured by or in respect of undistributed net earnings or income) and interest

charges (exclusive of interest or taxes properly capitalized as interest or taxes during construction), appropriations to retirement or depreciation reserves for properties other than gas or oil production properties and provisions for depreciation and depletion of gas and oil production properties (which appropriations to retirement or depreciation reserves with respect to properties referred to in the first paragraph of Section 6.11 and which provisions for depreciation and depletion with respect to gas production properties shall be in amounts not less than those required by the provisions of Section 6.11 as in effect from time to time), the amount, if any, by which cumulative long-term debt retirements exceed cumulative depreciation, depletion and amortization accruals as set forth in the financial statements of the Company furnished to the Corporate Trustee pursuant to Section 6.14 hereof and other appropriate items, all determined in accordance with sound accounting practice; provided, however, that in computing the amount of the net earnings of the Company as aforesaid (A) any interest received by the Company on obligations or indebtedness of any subsidiary or controlled corporation may be included in other income of the Company only to the extent that (i) such interest is not in excess of the net earnings available for interest of such subsidiary or controlled corporation, computed in accordance with sound accounting practice, for the period in respect of which such interest was paid (after first deducting from such net earnings available for interest an amount equal to all interest, if any, accrued for such period on obligations or indebtedness of such subsidiary or controlled corporation held by others than the Company and ranking prior to or on a parity with the obligations or indebtedness of such subsidiary or controlled corporation held by the Company in respect of which such interest was received) or (ii) such interest is properly capitalized by such subsidiary or controlled corporation as interest during construction in accordance with sound accounting practice; and any dividends received by the Company on stock of any subsidiaries or controlled corporations may be included in other income of the Company only to the extent that the aggregate amount of such dividends is not in excess of the combined net earnings of all subsidiaries and controlled corporations applicable to the stock interest of the Company in such subsidiaries and controlled corporations, computed as to each subsidiary or controlled corporation, in accordance with sound

accounting practice, from the date on which such subsidiary or controlled corporation became a subsidiary or controlled corporation, the date of the most recent payment of a dividend to the Company, any subsidiary or controlled corporation, and (B) no deduction or adjustment shall be made for or on account of (i) any charges in connection with the redemption of prepayment premiums or other expenses in connection with the retirement by the Company, by redemption, payment or otherwise, of any of its bonds, debentures, promissory notes or preferred stocks or any charges for the write-off of the unamortized portion of any debt discount and expense applicable to any such retired bonds, debentures, notes or preferred stocks remaining at the time of retirement thereof, or any expenses in connection with the retirement, issuance or sale by the Company of any of its bonds, debentures, promissory notes, preferred stocks or Common Stock, (ii) interest taxes or other overhead charges during construction to the extent chargeable to fixed property accounts of the Company in accordance with sound accounting practice and so charged, (iii) any gain realized or losses sustained in the sale of fixed properties or securities by the Company, (iv) any earned surplus adjustments properly chargeable to any period or periods prior to February 1, 1974, other than adjustments required to give effect to assessments of additional taxes paid by the Company or refunds of income taxes received by the Company applicable to any fiscal period or periods prior to February 1, 1974, or (v) any charges for amortization or elimination of gas cost adjustment accounts or acquisition adjustment accounts or other intangibles.

There shall not be included in computations under this Section amounts representing the interest of the Company in undistributed earnings of any person.

In the event that, at the time of any determination of net earnings of the Company for purposes of this Section 6.12, the Company shall be collecting increased rates which have been placed in effect and which are refunded by order of the Federal Power Commission or other governmental regulatory authority or any court, in any proceeding relating to such rate increase, the revenues resulting from such rate increase shall be taken into account in such determination to the extent that



inclusion of such revenues does not, in the opinion of independent accountants retained by the Company, result in the Company's earning a rate of return in respect of its Common Stock equity on its business subject to rate regulation in excess of such rate of return last allowed to the Company by the Federal Power Commission or other governmental regulatory authority having jurisdiction in the premises.

SECTION 6.13. That proper books of record and account will be kept by it, in which full, true and proper entries will be made of all dealings and transactions in relation to the mortgaged and pledged property and the affairs of the Company.

SECTION 6.14. That

(a) within four months after the end of each fiscal year of the Company (commencing with the fiscal year ending December 31, 1974), the Company will file with the Corporate Trustee (i) a consolidated profit and loss statement of the Company and its subsidiaries for such fiscal year, (ii) a consolidated balance sheet of the Company and its subsidiaries as of the end of such fiscal year, and (iii) an analysis of surplus for such fiscal year, all accompanied by the certificate or opinion of an independent accountant satisfactory to the Corporate Trustee; it being understood that the financial statements above referred to may include in the consolidation the accounts of any corporation which is a controlled corporation as defined herein; and

(b) within four months after the end of each calendar year (commencing with the calendar year ending December 31, 1974), the Company will file with the Corporate Trustee a certificate of the Company stating whether or not to the best of the knowledge of the signers the Company is in default in the performance of any covenant contained in this Indenture or the Trust Indenture, dated as of January 31, 1974, between the Company and The Chase Manhattan Bank (National Association), as Trustee, and, if so, specifying each such default of which the signers may have knowledge; and

(c) at such times as the Corporate Trustee shall request, the Company will file with the Corporate Trustee such other financial statements and information concerning the operations and financial affairs of the Company and its subsidiaries and controlled corporations as the Corporate Trustee may from time to time request.

Until there shall be filed with the Corporate Trustee an officer's certificate stating that the fiscal year of the Company has been changed and specifying the new fiscal year, the fiscal year of the Company shall be deemed to be the calendar year.

**SECTION 6.15.** That it will at all reasonable times permit the Trustees and their agents to enter upon the properties of the Company and its subsidiaries and all parts thereof for the purpose of investigating and inspecting the condition thereof. Whenever the holder of at least 25% in principal amount of the bonds outstanding hereunder shall so request in a written notice served upon the Company and the Corporate Trustee, but not more frequently than once every five years, the Company shall appoint an independent engineer to make an inspection of the mortgaged property.

The Company shall cause such independent engineer, within a reasonable time after the date of his appointment, to report to the Company and to the Corporate Trustee whether or not the properties of the Company and its subsidiaries, as an operating system or systems, have been maintained in good repair, working order and condition, and as to whether or not all property that is no longer used or useful in the business of the Company and its subsidiaries has been duly recorded as retired on their respective books. If such independent engineer shall report that the properties of the Company and its subsidiaries, as an operating system or systems, have not been so maintained, he shall state clearly in his report the character and extent and estimated cost of making good such deficiency, and, if longer than one year, the time reasonably necessary to make good such deficiency, and if he shall report that there is property no longer used or useful which has not been recorded as retired on the books of the Company or any subsidiary, he shall briefly describe such property and state the aggregate retirement which should be stated on the books of the Company or such subsidiary with respect to such property. Said report shall be placed on file by the Corporate Trustee and shall be open to inspection by any bondholder at any reasonable time.

If the Company, within thirty days after the filing of the report of such independent engineer, shall by written instrument filed with the Corporate Trustee object to and disapprove any of the statements in such report, the matters so objected to and disapproved shall be

forthwith referred to three arbitrators selected in the following manner. The Corporate Trustee, within ten days after the expiration of said period of thirty days, shall name one arbitrator and give notice of such selection to the Company. Within ten days after receipt of such notice, the Company shall name one arbitrator and give notice of such selection to the Corporate Trustee, and failure so to do shall entitle the Corporate Trustee to name an arbitrator to represent the Company. The two thus selected shall, within twenty days after the appointment of the arbitrator representing the Company, select a third arbitrator, but if said arbitrators do not, within said twenty days, agree upon such third arbitrator, then, upon the election of either the Company or the Corporate Trustee, the person who is the District Judge of the United States District Court for the District of Utah, senior in service, shall have the power to appoint such third arbitrator, upon application to said District Judge by either party on five days' notice thereof to the other party. Each of the three arbitrators so selected shall be an independent engineer. The written decision of a majority of such arbitrators shall be filed as soon as practicable with the Corporate Trustee and a copy thereof delivered to the Company, and shall be binding upon the Corporate Trustee, the Company and the bondholders.

Pending the final determination pursuant to the foregoing provisions of this Section 6.15 as to whether or not the Company and its subsidiaries have maintained their respective properties, as an operating system or systems, in good repair, working order and condition, and as to whether or not property which is no longer used or useful has been recorded as retired on the books of the Company or its subsidiaries, no statement contained in any report of any independent engineer filed with the Corporate Trustee as hereinbefore in this Section provided shall be deemed to be in any way evidence or proof of a failure of the Company to comply with this Section 6.15 or with Section 6.06.

The Company shall, subject to the provisions of the last paragraph of Section 6.15, with all reasonable speed, do or cause its subsidiaries to do such maintenance work as may be necessary to make good any such maintenance deficiency as shall have been determined to exist as hereinabove provided at the time of the report of such independent engineer or at the time of such decision of arbitrators, as the case may be, whereupon such independent engineer or such arbitrators, as the



case may be, shall report in writing to the Corporate Trustee whether such deficiency has been made good; provided, however, that in the event of the refusal or inability of such independent engineer or such arbitrators to act within such period as the Corporate Trustee shall deem reasonable, the Corporate Trustee may in its discretion accept, in lieu of such report, a certificate of the Company that such deficiency has been made good or appoint another independent engineer to make a report whether such deficiency has been made good.

The Company shall, if the report or such independent engineer or such decision of arbitrators, as the case may be, shall state that such deficiency has not been recorded as retired on the books of the Company or its subsidiaries property which is no longer used or useful, forthwith make appropriate entries on its books recording the retirement of such property and shall deliver to the Corporate Trustee a certificate of the Company stating that such entries have been made.

Unless the Corporate Trustee shall be so advised in writing by such independent engineer or, if arbitration shall have been had by arbitrators or by a certificate of the Company accepted by the Corporate Trustee, as the case may be, within one year from the date of any report of an independent engineer or any decision of arbitrators or the arbitrators, as the case may be, determining a maintenance deficiency to exist, such longer period as may be reported by such independent engineer or the arbitrators, as the case may be, to be reasonably necessary for the purpose, that such deficiency has been made good, the Company shall be deemed to have defaulted in the due performance of its covenants of this Section 6.15 (unless the Company shall have been relieved of compliance by the last paragraph of this Section 6.15) as to the maintenance of the mortgaged property; and the proceedings consequent upon such default, said report or reports of such independent engineer or said decision or decisions of such arbitrators, as the case may be, shall be conclusive evidence against the Company of the existence of the facts and conditions therein set forth and the Corporate Trustee shall be fully protected in relying thereon.

All expenses incurred pursuant to this Section 6.15 shall be borne by the Company.

In the event that any regulatory authority having jurisdiction over the Company shall determine that the expenditures required by this

Section 6.15 for repairs, replacements, additions, betterments and improvements are excessive, or shall, by order or regulation, prohibit, in whole or in part, any such expenditures, then, upon filing with the Corporate Trustee a certified copy of such order or a copy of such regulation, as the case may be, the Company shall, so long as such order or such regulation remains in effect, be relieved from compliance with the covenants contained in this Section 6.15 and in Section 6.06, to the extent that such expenditures shall have been held excessive or shall be prohibited.

SECTION 6.16. That, subject to the provisions of Article Thirteen, it will maintain its corporate existence and will continue to be a valid and existing corporation under the laws of the State of Delaware, and duly and legally qualified in all states in which it shall be doing business, and will comply with all provisions of the laws of the said states and of the United States, failure to observe which shall constitute any ground for the cancellation of its charter or termination of its corporate life or its right to transact business, or for the restriction of its operations and activities.

SECTION 6.17. That, so long as any of the bonds are outstanding,

(a) the Company will duly and punctually pay or cause to be paid the principal of and interest and premium on all indebtedness incurred or assumed by it when and as the same shall become due and payable or within any period of grace applicable thereto unless such indebtedness shall have been renewed, refunded or extended;

(b) the principal amount of any indebtedness incurred or assumed by the Company and secured by any prior lien upon property of the Company shall not exceed 66 2/3% of the cost of such property, and the aggregate principal amount of all such indebtedness shall not exceed the sum of \$10,000,000 at any one time outstanding, excluding in any computation for purposes of this subdivision (b) any such indebtedness which shall at the time be pledged hereunder;

(c) the Company will not permit any increase in the aggregate amount of the outstanding indebtedness secured by any prior liens on the property of the Company;

(d) in case the Company shall hereafter create any mortgage upon all or any part of the mortgaged property (other than to secure any prior lien indebtedness renewed, refunded

or extended), such mortgage shall be, and shall be expressed to be, subject to the prior lien of this Indenture; and

(e) the Company will not make any assignment of or create any charge upon the income or earnings or any part of the income or earnings of the mortgaged property, except the same be expressly subordinated to the lien of this Indenture.

Subject to the limitation stated in subdivision (b) of this Section 6.17, nothing in this Section 6.17 or elsewhere in this Indenture contained shall be construed to prevent the Company from acquiring property subject to liens prior to the lien hereof existing thereon at the time of acquisition or from creating purchase money mortgages or other purchase money liens to secure the purchase price of property acquired by it after the effective date of this Indenture, or from renewing, refunding or extending any indebtedness secured by any such lien.

SECTION 6.18. That, subject to the provisions of Section 7.01, it will promptly pay all rentals, delay rentals and royalties and other indebtedness accruing under its leases, gas rights under leases and contracts for the purchase and/or sale of gas and all other leases and contracts for oil and gas or drilling or production rights at any time owned by the Company, and will do all other things necessary to keep unimpaired the Company's rights thereunder, and to prevent the forfeiture thereof, and it will cause each of the subsidiaries similarly to pay such rentals, royalties and indebtedness accruing under any such leases or contracts of such subsidiary and similarly keep unimpaired its rights thereunder; provided, however, that nothing in this Indenture contained shall require the Company or a subsidiary to continue the payment of rentals or perform any other obligations under leases and/or contracts which by reason of failure or diminution of supply or for any other reason are no longer advantageous or necessary for the business of the Company or such subsidiary, or shall require the Company or a subsidiary to make any such payments or to perform any such obligations so long as it shall in good faith by appropriate legal proceedings or otherwise contest its liability therefor.

That it will not modify, amend, supplement, cancel or replace any of the Gas Sales Contracts or Gas Purchase Contracts except in accordance with the provisions of Article Seven.

SECTION 6.19. That it will not go into voluntary bankruptcy or insolvency or, except as provided in Section 9.19 hereof, apply for or



consent to the appointment of a receiver of itself or of its property, or make any general assignment for the benefit of its creditors, or suffer any order for the appointment of a receiver of itself or of its property or adjudicating it to be bankrupt or insolvent to be made and remain unvacated for a period of thirty days.

SECTION 6.20. That, not later than twelve months after the date of the execution of this Indenture and thereafter from time to time not later in each instance than twelve months after the last date on which the Company shall have executed an instrument of the nature hereinafter in this Section 6.20 described, it will deliver to the Corporate Trustee (a) an instrument confirming and perfecting the lien of this Indenture on all of the Company's right, title and interest under, in and to all Gas Purchase Contracts entered into or assumed by the Company prior to thirty days preceding the date of the execution of such instrument which shall by virtue of their terms come within the description set forth in Granting Clause Third hereof and all Gas Purchase Contracts and Gas Sales Contracts which, by reason of the amount of gas purchased or sold thereunder, shall have, prior to ninety days preceding the date of such execution, come within the description set forth in said Granting Clause Third or in Granting Clause Fourth hereof, which contracts are not specifically described in the Schedule of Gas Purchase Contracts or the Schedule of Gas Sales Contracts annexed to this Indenture and have not theretofore been specifically pledged hereunder as in this Section 6.20 provided, (b) a counterpart original or copy of each such contract, certified by the Secretary or an Assistant Secretary of the Company to be such counterpart original or a true copy, (c) evidence satisfactory to the Corporate Trustee that notice has been or will be duly given to each of the other parties to each such contract that all of such right, title and interest of the Company under, in and to such contract have been subjected to such lien, (d) if any such contract shall not be assignable to a trustee or as security, the written consent of each of the other parties to such contract to the assignment of the Company's right, title and interest under, in and to such contract to the Trustees hereunder, and (e) an opinion of counsel stating that all of the Company's right, title and interest under, in and to each such contract are subject to such lien.

Unless an event of default shall have happened and be continuing, the Company shall be entitled to collect and retain all sums due under, and to receive and dispose of all gas deliverable under, any of the

contracts subject to the lien hereof and to require and enforce performance of any and all such contracts, without further action or action by the Trustees, or either of them, but the Trustees of the Company shall so request in an application of the Company to the Corporate Trustee, deliver to the Company suitable orders in favor of the Company or its nominee or nominees for the payment of all sums, the delivery of all gas and the performance of all other things under such contracts. Such orders shall be expressed to be revocable by the Trustees whenever an event of default shall have happened and be continuing. Whenever an event of default shall have happened and be continuing, the Trustees, or either of them, or a receiver or trustee in bankruptcy or other person who shall rightfully be in possession of the trust estate, may collect and retain for the benefit of the bondholders all sums due under, receive and dispose of all gas deliverable under, and require and enforce the performance of any and all such contracts. Any party to any contract subject to the lien hereof may, until such party shall have received written notice to the contrary, conclusively assume that the Company is unable to perform and to accept performance of such contract, including receipt of any gas deliverable under any Gas Purchase Contract and the receipt of all sums due under any Gas Sales Contract.

SECTION 6.21. Prior to April 1, 1974, the Company shall file with the Corporate Trustee a copy of the Company's FPO Gas Tariff which shall be effective on the effective date of this Indenture, including all the Company's rate schedules in effect covering the sale and delivery of natural gas subject to the jurisdiction of the Federal Power Commission and the general terms and conditions applicable to contracts for service under said rate schedules. The Company warrants and agrees that, within fifteen days after any change in the FPO Gas Tariff shall become effective or after any new rate schedule filed by it as a part of said Gas Tariff shall become effective, it will transmit to the Corporate Trustee, for substitution or incorporation in the Gas Tariff on file with said Trustee, copies of the new or changed sheets of said Gas Tariff reflecting such change or setting forth a new rate schedule. Nothing herein contained, however, shall be construed to obligate the Company to file with the Corporate Trustee a copy of any executed service agreement with any customer unless the Company is obligated to pledge such agreement hereunder as a Gas Sales Contract by virtue of the provisions of Granting Clause First hereof.

SECTION 6.22. So long as any of the bonds are outstanding, the Company will not, nor will it permit any subsidiary or controlled corporation, as lessee, to enter into or assume any lease (including, but without limitation, a sale-leaseback) or other rental arrangement (any such lease or other rental arrangement being hereinafter in this Section 6.22 referred to as a "Lease"); provided, however, that nothing in this Section 6.22 contained shall prevent the Company or a subsidiary or controlled corporation from entering into or assuming any Lease (i) for a term (including all terms of renewal or extension at the option of any person) of not more than five years, or (ii) relating solely to office space or equipment, warehouse or hangar space or equipment, equipment related to data processing, transportation (including aircraft) and moving heavy-work equipment, or (iii) if upon entering into or assuming any such Lease and giving effect to the obligations thereunder the aggregate amount of Rentals payable by the Company and its subsidiaries and controlled corporations under said Lease and all other Leases [other than the Leases specified in the foregoing clauses (i) and (ii)], shall not be in excess of \$300,000 in any period of twelve consecutive months thereafter. The term "Rentals" as used with respect to any Lease for any period means the aggregate amount payable by the lessee thereunder for such period, including, without limitation, income taxes, property taxes, insurance, interest and amortization charges which the lessee is required to pay pursuant to such Lease. Whenever it is necessary to determine the amount of Rentals for any period in the future and to the extent that such Rentals are not definitely determinable by the terms of the Lease, all such charges shall be estimated in good faith in reasonable amounts by the Board of Directors of the Company.

SECTION 6.23. The Company may omit in any particular instance to comply with any covenant contained in Sections 6.06, 6.07, 6.08, 6.11, 6.12, 6.14, 6.17, 6.18, 6.20, 6.21 and 6.22, if before or after the time for such compliance the holders of not less than two-thirds in principal amount of each series of bonds outstanding hereunder shall waive compliance with such covenant either generally or in such particular instance by vote, at a meeting held in accordance with the provisions of Article Eleven A, or by an instrument or instruments in writing executed by such holders and filed with the Corporate Trustee.



# ARTICLE SEVIN.

## POSSESSION AND USE OF PROPERTY AND RELEASE OF MORTGAGED PROPERTY AND APPLICATION OF PROCEEDS THEREOF.

SECTION 7.01. Unless an event of default shall have happened and be continuing, the Company

(1) shall have the right to remain in possession and retain exclusive control of the mortgaged property, except such cash as is deposited or expressly required to be deposited with the Corporate Trustee and except, to the extent not herein otherwise provided, such securities as are deposited or expressly required to be deposited with the Corporate Trustee) with power freely and without let or hindrance on the part of the Trustees or of the bondholders to operate, manage, develop, exploit, drill, mine, use and enjoy the mortgaged property and all gas, oil and mineral leases and rights on the effective date of this Indenture or thereafter constituting part of the mortgaged property, and to explore for and produce and extract therefrom gas, oil, distillate, hydrocarbons and other minerals and to treat, refine, manufacture, transform, and otherwise utilize, transport, deal with and sell such products and to receive and use the tolls, rents, revenues, royalties, issues, earnings, income, profits and products of the mortgaged property;

(2) may, without obtaining any release or consent of the Trustees, deal in, sell, use or dispose of its materials and supplies or products in the ordinary course of business;

(3) may, without obtaining any release or consent of the Trustees, sell or otherwise dispose of, free from the lien of this Indenture, any gas pipe, casings, rigs, measuring, regulator or compressor, station machinery or equipment or other machinery, tools, implements or equipment which may have become obsolete, inadequate or worn out or otherwise unsuitable or unnecessary for use in the business of the Company; provided that, unless the same be replaced by, or there be substituted therefor, other pipe, casings, rigs, machinery, tools, implements or equipment, not necessarily of the same character but of equal value for the purposes of the business of the Company, there shall be deposited with the Corporate Trustee an amount equal to any cash and/or the fair value of any other consideration received by the Company upon the disposition of such of said property as shall be subject to the lien of this Indenture and provided, further, that the Company shall have no obligation to deposit with the Corporate Trustee an amount equal to any cash and/or the fair value of any other consideration received by the Company upon any such disposition unless such cash

and/or fair value of such other consideration exceeds in any year \$150,000;

(4) may, without obtaining any release or consent of the Trustees, alter, change the location of, add to, repair or replace any and all pipe lines, telephone lines, power lines, water lines, metering stations, regulator stations, compressor stations, treating plants, houses, warehouses or other structures and any and all engines, pumps, tanks, rigs, fittings, machinery, fixtures or other facilities or equipment, or discontinue or abandon the operation or use of any such lines, stations, plants, structures, machinery, facilities or equipment, the operation or use of which is no longer necessary or desirable in the conduct of its business; provided, however, that no mortgaged property shall be relocated if after the relocation the property would be subject to any prior lien (except a permitted encumbrance) to which it was not subject prior to the relocation or would be located in a county in which this Indenture shall not have been duly recorded and filed (if the recordation or filing thereof is required in order to preserve the lien thereon) and provided that the continuity of any of the pipe lines, telephone lines, power lines or water lines of the Company, not discontinued or abandoned as aforesaid, shall not be broken or interfered with;

(5) may, without obtaining any release or consent of the Trustees, modify any ordinance, franchise, license, permit, right or privilege or any easement or right of way grant for any of its pipe lines, telephone lines, power lines or water lines, or surrender and cancel the same if they are no longer necessary or desirable in connection with the operation of the business of the Company and if the continuity of any of the pipe lines, telephone lines, power lines or water lines of the Company then used or useful in the business of the Company will not be broken or interfered with; provided that, if the Company shall receive any cash or other consideration in excess of \$10,000 in any one year for any such modification, an amount equal to such cash or the fair value of such other consideration shall be deposited with the Corporate Trustee; and provided further that, upon any such surrender and cancellation, unless there shall be substituted another ordinance, franchise, license, permit, right, privilege, easement or right of way grant, not necessarily of the same character but of substantially equal value for the purposes of the business of the Company, either for the same portion of any such line or for a relocated or substituted line serving substantially the same purpose, there shall be deposited with the Corporate Trustee an amount equal to any cash or the fair value of any other consideration received by the Company upon such sur-

tender or cancellation if the amount of such cash or other consideration so received in any one year shall be in excess of \$10,000;

(6) may, without obtaining any release or consent of the Trustees, assign or transfer an interest in a gas leasehold estate in consideration for the drilling of a well or wells or an obligation to drill a well or wells on the acreage covered thereby, provided that in the opinion of the Company such assignment or transfer is in the best interest of the Company and in no manner prejudicial to the bondholders, and provided further that all rights of the Company in respect of the interest so assigned or transferred and of such well or wells and of any obligation to drill a well or wells shall forthwith become and be subject to the lien of this Indenture and the Company shall so notify the assignee or transferee of such interest;

(7) may, without obtaining any release or consent of the Trustees, become a party to any joint venture or unitization or communitization agreement providing for the sharing by the Company and others of production expenditures and the benefits of development upon a proportionate basis in accordance with established practices for similar joint operations, provided that if the acreage subjected to any such agreement by the Company and the other parties thereto shall exceed 700 acres, the Company shall have filed with the Corporate Trustees (a) a certificate of an independent geologist stating that in his opinion the value of the acreage covered by the gas leasehold estates subjected to such agreement by the Company does not exceed the value of the resulting interest of the Company under such agreement, and (b) an opinion of counsel to the effect that the Company has good and valid title, subject only to permitted encumbrances to such gas leasehold estates; that such gas leasehold estates are free from any deficiencies of title or prior liens or encumbrances (other than deficiencies or liens or encumbrances constituting permitted encumbrances) affecting them, whether the same relate to the lessor's title to the property covered by such gas leasehold estates (or, in the case of a unitization or communitization agreement, the lessor's title to the property subjected thereby by the Company) or to such gas leasehold estates themselves; that such gas leasehold estates are not terminable by the lessors by reason of the bankruptcy, insolvency or receivership of any party to the instrument or instruments by which they were created or by reason of the foreclosure of a mortgage thereon provided rentals under the instrument or instruments creating such gas leasehold estates are continued to be paid currently and the other obligations of the lessees under such instrument or instruments are continued to be performed.



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currently and as required by the terms thereof; if such gas leasehold estates include the Company's interest under any operating agreement or unitization or communitization agreement, that, inasmuch as a well or wells producing or capable of producing natural gas in commercial quantities has or have been completed upon the acreage covered thereby, no assignment or transfer of the interest of any party to such agreement (whether voluntary or by operation of law or whether as security or otherwise) and no bankruptcy, insolvency or receivership of any such party will terminate such agreement or give any assignee, trustee in bankruptcy or receiver or other person the right to withdraw from such agreement the gas leasehold estates or acreage covered thereby subjected to such agreement by such party or otherwise destroy, terminate or forfeit any rights or interests under such agreement which are mortgaged or pledged hereunder, and that any assignment or transfer made or lien or encumbrance created by any party in respect of such agreement or the property subjected thereto will be subject to the rights and interest of the Company under such agreement mortgaged or pledged hereunder; that in the opinion of such counsel or other reputable counsel whose opinion he has examined there are no deficiencies of title to or liens or encumbrances (other than deficiencies, liens or encumbrances constituting permitted encumbrances) upon the interest of any party to any unitization or communitization agreements the Company's interest under which is included in such gas leasehold estates (whether the same relate to the lessor's title to the property subjected thereto by such party or to the interest of such party itself in such agreement and in the property subjected thereto by such party and in any other property subject to such agreement) which would substantially adversely affect the Company's interest thereunder; that such gas leasehold estates are, or upon the execution and delivery to the Corporate Trustee and any necessary recordation and/or filing of specified instruments of conveyance, assignment or transfer will be, subject to the lien of this Indenture, subject only to permitted encumbrances; that the leases or other instruments creating such gas leasehold estates are valid and binding instruments; and that all recordation, filing and giving of notice, if any (other than the recordation and filing, of any instrument of conveyance, assignment or transfer specified as aforesaid) required in order to protect the lien of this Indenture on such gas leasehold estates have been duly effected, together with any instruments of conveyance, assignment or transfer specified in such opinion as necessary in order to subject the resulting interest of the Company under such agreement to the lien of this Indenture;

(8) may, without obtaining any release or consent of the Trustees, (a) abandon or surrender any gas leasehold estates or interests therein owned by the Company if the continued retention, development and/or operation of such gas leasehold estates or interests is unprofitable or unduly burdensome or no longer necessary or desirable for the purposes of the business of the Company, and (b) cease to pay rents for, or abandon or allow the lapse of, gas leasehold estates or interests therein which, by reason of failure or diminution of gas supply or for any other reason, are no longer necessary or desirable for the purposes of the business of the Company;

(9) may, without obtaining any release or consent of the Trustees, (a) modify, amend, supplement, cancel or replace any of the Gas Sales Contracts and Gas Purchase Contracts subject to the lien hereof, provided that the Company shall assign to and pledge with the Trustees its right, title and interest under any contract or contracts which may be entered into in modification, amendment or replacement of, or as a supplement to, any such Gas Sales Contract or Gas Purchase Contract (except as to any such Gas Sales Contract or Gas Purchase Contract which at the time of such modification, amendment, replacement or supplement does not, by its terms or by reason of the amount of gas purchased or sold thereunder, come within the descriptions set forth in sub-clause (2) of Granting Clause Third or sub-clause (2) of Granting Clause Fourth of this Indenture), and that if the Company shall receive any cash or other consideration in excess of \$50,000 in any one year for any such modification, amendment, supplement, cancellation or replacement, the Company shall cause such cash to be deposited with the Corporate Trustee hereunder and either cause such other consideration to be subjected to the lien of this Indenture (subject to any prior liens existing thereon at the time of the acquisition by the Company) or cause an amount in cash equal to the fair value thereof to be deposited with the Corporate Trustee, or (b) upon acquisition of all or substantially all of the producing properties which at the time are subject to any Gas Purchase Contract, terminate and cancel such Gas Purchase Contract; provided that the Company may not cancel or terminate (without replacement as to term and amount) the Gas Purchase Contract dated as of October 10, 1969, as amended and supplemented, between the Company, as successor in interest to El Paso, and Westcoast Transmission Company Limited described in item 13 of Schedule III to this Indenture or the Gas Purchase Contract dated September 23, 1960, as amended and supplemented, between the Company, as successor in interest to El Paso, and Westcoast Transmission Company Limited described in item 14 of Schedule III to this Indenture, or any new agreement replacing either of said Gas Purchase Contracts, or modify, amend, supplement, cancel or terminate (whether by supplementary or amendatory agreement or by the execution of a new agreement cancelling and replacing the

same) either of said Gas Purchase Contracts (or any new agreement replacing either of them) so as to effect any reduction in the term, or the amount of natural gas which the Company is entitled to purchase by virtue of the provisions, of either of said Gas Purchase Contracts, unless there shall have been filed with the Corporate Trustees (x) a written consent or written consents to such modification, amendment, supplement, termination, cancellation or replacement (which consent or consents may be in general terms) signed by the holders of not less than 66% in principal amount of all the bonds outstanding, or (y) if such replacement, cancellation, termination, modification, amendment or supplement is required by order or regulation of the Federal Power Commission or other governmental body having jurisdiction, (i) a copy of the order, regulation or other instrument requiring or setting forth such replacement, cancellation, termination, modification, amendment or supplement, and (ii) an opinion of counsel stating that, in the opinion of such counsel, such replacement, cancellation, termination, modification, amendment or supplement has been required by order or regulation of a specified governmental body having jurisdiction; and provided, further, however, that the Company may not cancel or terminate (without replacement as to term and amount) any other Gas Sales Contract or Gas Purchase Contract subject to the lien hereof, or any new agreement replacing any of said Gas Sales Contracts or Gas Purchase Contracts, or modify, amend, supplement, cancel or terminate (whether by supplementary or amendatory agreement or by the execution of a new agreement cancelling or replacing the same) any of said Gas Sales Contracts or Gas Purchase Contracts or any new agreement replacing any of them so as to effect, in the case of Gas Sales Contracts, any reduction in the term of any said Gas Sales Contract or of any of such new contracts or so as to effect any reduction in the amounts of gas which the purchasers thereunder are obliged from time to time to take from the Company by virtue of the respective provisions thereof, or so as to effect, in the case of Gas Purchase Contracts, any reduction in the term of any thereof or of any such new agreement or any reduction in the amounts of gas which the Company is entitled to purchase by virtue of the respective provisions thereof, unless there shall have been filed with the Corporate Trustees (x) the certificate of an independent engineer setting forth the substance of any such replacement, cancellation, termination, modification, amendment or supplement and stating that, in the opinion of such independent engineer, such replacement, cancellation, termination, modification, amendment or supplement is desirable in the business of the Company and will not be prejudicial to the holders of the bonds or (y) if required so to do by order or regulation of the Federal Power Commission or other governmental body having jurisdiction, (i) a copy of the order, regulation or other instrument requiring or setting forth such replacement, cancellation, termi-



nation, modification, amendment or supplement, and (ii) an opinion of counsel stating that, in the opinion of such counsel, such replacement, cancellation, termination, modification, amendment or supplement has been required by order or regulation of a specified governmental body having jurisdiction; and provided, further, however, that the Company may not make any material replacement, cancellation, termination, modification, amendment or supplement of a Gas Sales Contract or a Gas Purchase Contract subject to the lien of this Indenture unless there shall have been filed with the Corporate Trustee an officer's certificate setting forth the substance of any such replacement, cancellation, termination, modification, amendment or supplement and having attached thereto a certified copy of a resolution of the Board of Directors of the Company stating that in its opinion such replacement, cancellation, termination, modification, amendment or supplement is desirable in the business of the Company and will not be prejudicial to the holders of the bonds;

(10) may, without obtaining any release or consent of the Trustees, modify, amend or supplement (whether by supplementary or amendatory agreement or by the execution of a new agreement cancelling and replacing the same) any agreement for the transportation or exchange of gas subject to the lien hereof, including, without limitation, any plant operating agreement subject to the lien hereof, provided that (A) the Company shall assign to and pledge with the Trustees its right, title and interest under any agreement or agreements which may be entered into in modification, amendment or replacement of, or as a supplement to, any such transportation, exchange or operating agreement, and that, if the Company shall receive any cash or other consideration in excess of \$10,000 in any one year for any such modification, amendment, replacement or supplement, the Company shall cause such cash to be deposited with the Corporate Trustee hereunder and either cause such other consideration to be subjected to the lien of this Indenture (subject to any prior liens existing thereon at the time of acquisition by the Company) or cause an amount in cash equal to the fair value thereof to be deposited with the Corporate Trustee, and (B) the Company may not modify, amend or supplement any such transportation or operating agreement so as to effect any reduction in the term thereof and may not modify, amend or supplement any such transportation agreement so as to effect any reduction in the amount of natural gas which the Company is entitled to have transported for it by virtue of the provisions thereof; provided, further, that the Company may make any modification or amendment of, or supplement to, any such transportation or operating agreement, of the character referred to in clause (B) above, (a) upon filing with the Corporate Trustee a written consent or written consents to such modification, amendment or supplement (which consent or consents may be in general terms) signed by

the holders of not less than two-thirds in principal amount of all the bonds outstanding, or (b) if required to do so by order or regulation of the Federal Power Commission or other governmental body having jurisdiction, if the Company shall file with the Corporate Trustees (i) a copy of the order, regulation or other instrument requiring or setting forth such modification, amendment or supplement, and (ii) an opinion of counsel stating that in the opinion of such counsel such modification, amendment or supplement has been prescribed by order or regulation or other lawful requirement of a specified governmental body having jurisdiction;

(11) may, without obtaining any release or consent of the Trustees, grant or convey rights of way or easements over or in respect of any real property or interest in real property owned by the Company, provided such grant or conveyance will not in the opinion of the Company materially impair the usefulness of the property in question in the conduct of the business and operations of the Company; provided that, if the Company shall receive in any such case cash or other consideration in excess of \$10,000 in any one year for any such right of way or easement, an amount equal to such cash or the fair value of such other consideration shall be deposited with the Corporate Trustee; and

(12) may, without obtaining any release or consent of the Trustees, surrender, transfer, release or reassign to the assignor free and clear of the lien of this Indenture any of the leases, leaseholds, rights or interests therein covered by the contracts referred to in Section 1.14(14)(b) of this Indenture; 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 by the applicable designated contract.

None of the provisions of this Section is intended to limit the right of the Company, freely and without the necessity of any release or consent of the Trustees, to sell, assign, transfer or otherwise deal in or with any unproven gas acreage or interest therein or property located thereon which constitutes excepted property.

SECTION 7.02. The Trustees shall, upon receipt of an application of the Company, execute any release which may be requested in the application to confirm any action taken by the Company as permitted

by Section 7.01, in which event the Trustees and any purchaser in good faith of any property or interests affected by such action may accept as conclusive evidence of compliance with the provisions of that Section the appropriate statements contained in such application.

SECTION 7.03. Unless an event of default shall have happened and be continuing, the Company may procure from the Trustees, upon compliance with the conditions hereinafter in this paragraph contained, a release of any property subject to the lien hereof, including any shares of stock or other securities pledged hereunder (except purchase money obligations of the character mentioned in Section 7.04, or shares of stock, obligations or other securities of any controlled corporation at any time pledged hereunder, even though the corporation issuing such shares of stock, obligations or other securities shall have ceased to be a controlled corporation as herein defined), provided that no securities of a subsidiary (other than bonds, notes or other obligations which have been paid in full) shall be released unless all of the securities of such subsidiary owned by the Company are simultaneously released. The Trustees shall forthwith release any such property upon receipt by the Corporate Trustee of

(1) an application of the Company requesting the release of such property and stating the fair value of such property (which shall not be less than the fair value stated in the engineer's certificate, if any, furnished pursuant to subdivision (3) or (4) below) as of a date not more than thirty days prior to the date of such application, and stating that the continuity of the pipe lines of the Company will not be broken or interfered with by such release or disposition;

(2) cash and/or purchase money obligations equivalent thereto as provided in Section 7.04 in an amount equal to the fair value of the property to be released, as stated in such application (all subject to the provisions of Section 7.10);

(3) in case the fair value as stated in such application required by (1) above is in excess of \$100,000 but not in excess of \$500,000, a certificate of an engineer stating in his opinion the fair value, as of a date not more than thirty days prior to the date of such application, of the property the release of which is requested and stating that in his opinion the release of such property will not be prejudicial to the interests of the bondholders;

(4) in case the fair value of such property as stated in such application is in excess of \$500,000 or the property to



be released consists of securities of a subsidiary, a certificate signed by an independent engineer, stating, in his opinion, the fair value, as of a date not more than thirty days prior to the date of such application, of the property the release of which is requested and stating in substance that in his opinion, considering the substitution made or evidenced pursuant to (2) above, and all other circumstances, the release of such property will not be prejudicial to the interests of the bondholders; and

(5) in case the fair value of such property as stated in such application is in excess of \$100,000 or the property to be released consists of securities of a subsidiary, a resolution of the Board of Directors of the Company, requesting the Trustees to execute a release of such property.

SECTION 7.03A. Unless an event of default shall have happened and be continuing, the Company may procure from the Trustees, upon compliance with the conditions hereinafter in this paragraph contained, the release of any shares of stock, obligations or other securities of any controlled corporation which shall have been pledged under this Indenture, even though, at the time the release thereof is requested, the corporation issuing such shares of stock, obligations or other securities shall have ceased to be a controlled corporation as herein defined. The Trustees shall release any such shares of stock, obligations or other securities forthwith upon receipt by the Corporate Trustee of

(a) an application of the Company requesting the release of specified shares of stock, obligations or other securities and stating the cost thereof to the Company and, if the release requested is wholly or partly on the basis of the substitution of other securities of one or more controlled corporations, stating also the cost to the Company of the securities to be substituted and the fair value thereof as of a date not more than thirty days prior to the date of such application (which fair value shall be not greater than the fair value stated in any engineer's certificate or independent engineer's certificate, as the case may be, required to be furnished in connection with such application pursuant to subdivision (c) below);

(b) cash and/or shares of stock, obligations or other securities of one or more controlled corporations (the latter taken at the lesser of the cost or fair value thereof, as stated in such application of the Company) in an amount equal to the cost to the Company of the securities whose release is requested in such application, or, if the securities whose release is requested were pledged under this Indenture in substitution for other securities

of controlled corporations and for purposes of such substitution were taken at a fair value less than the cost thereof, in an amount equal to such fair value; and

(c) in case the release requested in such application is wholly or partly on the basis of the substitution of securities of one or more controlled corporations, a certificate of an engineer of the cost to the Company of the securities to be substituted as stated in such application is greater than \$500,000, a certificate of an independent engineer stating the fair value, in the opinion of such engineer, as of a date not more than thirty days prior to the date of such application, of the securities to be substituted.

The documents and consideration furnished pursuant to the foregoing paragraph of this Section shall be full evidence of compliance with the provisions of this Section and full authority to the Trustees for effecting any release requested pursuant to this Section.

For purposes of this Section, (a) any stocks, bonds, notes or other evidences of indebtedness or property (other than cash) received by the Corporate Trustee pursuant to the provisions of Section 8.04 or Section 8.10 in lieu of or in exchange for any shares of stock and/or other securities of any controlled corporation pledged hereunder shall take the place of and be substituted for the shares of stock and/or other securities in lieu of or in exchange for which such stocks, bonds, notes or other evidences of indebtedness or property were received and, subject to any other adjustments provided for in this paragraph, the cost to the Company of the stocks, bonds, notes or other evidences of indebtedness or property so received shall be an amount equal to (i) the cost to the Company of the shares of stock and/or other securities in lieu of or in exchange for which the same were received, less (ii) any cash received by the Corporate Trustee on account of such last mentioned shares of stock and/or other securities, (b) any shares of stock received by the Corporate Trustee representing a stock dividend on any shares of any controlled corporation pledged hereunder shall be deemed to constitute a part of the pledged shares in respect of which such stock dividend was paid and, subject to any other adjustments provided for in this paragraph, the cost to the Company of such dividend shares and the pledged shares in respect of which such stock dividend was paid shall be an amount equal to the cost to the Company of such pledged shares, (c) the cost to the Company of any bonds, notes or other evidences of indebtedness of any controlled corporation pledged hereunder

shall be reduced by an amount equal to all sums paid to or received by the Corporate Trustee and retained by it pursuant to the provisions of Section 8.06 hereof representing payments on account of the principal of or interest on such bonds, notes or other evidences of indebtedness, and (d) the cost to the Company of any shares of stock of any controlled corporation pledged hereunder shall be reduced by an amount equal to all cash dividends or other moneys received by the Corporate Trustee representing distributions or payments on or in respect of such pledged shares made otherwise than out of net earnings or earned surplus and/or by an amount equal to all sums paid by the Company to the Corporate Trustee representing the proceeds of the sale or other disposition of subscription privileges accruing in respect of such pledged shares or representing the market price of subscription privileges so accruing which have been exercised by the Company.

Any cash so deposited may be paid out or applied by the Corporate Trustee at any time or from time to time pursuant to the provisions of Section 7.12, provided that if the application of the Company pursuant to subdivision (a) of this Section shall have stated that the securities in respect of which such cash was deposited had been or simultaneously with the release thereof were being sold or otherwise disposed of by the Company or any subsequent certificate of the Company filed with the Corporate Trustee shall state that such securities have been subsequently so sold or disposed of or have been paid or redeemed by the issuer thereof, then the Company shall be entitled to have not exceeding one-half of such cash applied by the Corporate Trustee in satisfaction of all or part of any subsequent sinking fund requirements on any one or more series of bonds issued hereunder, as shall be directed at any time or from time to time in an application or certificate of the Company filed with the Corporate Trustee.

Section 7.12 In the event of the release of property other than stocks or other securities, there may be substituted for all or part of the cash, if any, required to be deposited with the Corporate Trustee pursuant to any provision of this Article, obligations secured by a purchase money mortgage or a vendor's lien upon the property sold, exchanged or otherwise disposed of, which shall be taken as equivalent to cash in an amount equal to the aggregate principal amount thereof deposited with the Corporate Trustee, provided that no such obligation shall be received by the Corporate Trustee in substitution for cash if the aggregate amount of such obligations secured by such



purchase money mortgage or vendor's lien (including any obligations not previously so deposited) exceeds two-thirds of the price at which such property shall have been sold, exchanged or otherwise disposed of, and provided further that the aggregate principal amount of such obligations and all other obligations deposited with the Corporate Trustee pursuant to this Section and then held as part of the trust estate shall not exceed 10% of the aggregate principal amount of bonds at the time outstanding under this Indenture. There shall be furnished to the Corporate Trustee an opinion of counsel to the effect that any purchase money mortgage or vendor's lien securing any such obligations constitutes a valid first lien upon the property to be sold, exchanged or otherwise disposed of, subject only to permitted encumbrances, that the Company has title to any such bonds or other obligations substituted, and what, if any, instruments of transfer are necessary to vest the title to such obligations in the Trustees hereunder, and stating that the same are valid and have been duly issued. The Corporate Trustee shall be authorized to accept and to rely for all purposes upon a certificate executed by the President or any Vice President, or the Treasurer or any Assistant Treasurer of the Company, as to the price at which such property was sold, exchanged or otherwise disposed of, and describing the nature and amount of the purchase money mortgage or vendor's lien securing such obligations. Any obligations so substituted shall, subject to the provisions of Section 7.10, be pledged hereunder and such instruments of transfer, if any, duly executed, as are stated in the above opinion to be necessary to vest title to the same in the Trustees hereunder shall also be delivered to the Corporate Trustee. Any such obligations shall be released by the Corporate Trustee upon payment by the Company to the Corporate Trustee of an amount equal to the unpaid principal amount thereof. Upon the application of the Company, the Corporate Trustee shall consent to the extension of the maturity of any such obligation to such date, and at such rate of interest, as the Company shall request.

SECTION 7.05. If any of the property subject to the lien of this Indenture shall be taken by exercise of the power of eminent domain, or if any governmental body or agency shall at any time exercise any right which it may have to purchase any part of such property, or if the Company shall be required to dispose of any property by a valid order of any court or other governmental body, agency or instrumentality, the Trustees shall release the property so taken, purchased

or disposed of when and only when the Corporate Trustee shall have received

(a) an application of the Company requesting such release and stating that such property has been taken by exercise of the power of eminent domain or has been purchased by a governmental body or agency in the exercise of a right which it had to purchase the same, or is being disposed of pursuant to a valid order of a court or other governmental body, agency or instrumentality requiring the disposition of such property, as the case may be, and further certifying the amount of any cash and the fair value and general nature of any other consideration received by the Company as the proceeds of such property;

(b) if and only if the consideration received, or the fair value of the property to be released as stated in the engineer's certificate required by subdivision (c) of this Section, is in excess of \$50,000, an opinion of counsel to the effect that such property has been taken by the exercise of the power of eminent domain or has been purchased by a governmental body or agency in the exercise of a right which it had to purchase the same, or is being disposed of pursuant to a valid order of a court or other governmental body, agency or instrumentality requiring the disposition of such property, as the case may be;

(c) in case any such property is being disposed of pursuant to an order as aforesaid, a certificate of an engineer (who shall be an independent engineer if the fair value of such property as stated in such certificate is in excess of \$250,000) stating in his opinion the fair value, as of a date not more than thirty days prior to the date of such certificate, of the property to be released; and

(d) an amount of cash (and/or purchase money obligations as permitted by Section 7.94) equal to any proceeds of such property (or the fair value of such property as stated in any certificate furnished pursuant to the foregoing subdivision (c), if in excess of such proceeds, if any) in excess of \$250,000. The provisions of this subdivision (d) are subject to the provisions of Section 7.10.

The Trustees shall, upon receipt of an application of the Company, give their consent in writing to the amount of any award or allowance of compensation for any such property, in connection with any proceeding for the taking of any of the mortgaged property through the exercise of the power of eminent domain or any right to purchase above referred to, if furnished with a certificate signed by an engineer,

stating that in his opinion the fair value of the property in question, as of the date of the application, is not more than the amount of the proposed award or allowance.

The Company covenants that, subject to the provisions of Section 7.10, upon the receipt by it of the proceeds of any such property it will forthwith cause an amount of cash (and/or purchase money obligations as permitted by Section 7.04) equal to such proceeds to be deposited with the Corporate Trustee hereunder.

**Section 7.06.** In case the Company has sold, exchanged or otherwise disposed of or proposes to sell, exchange or otherwise dispose of any excepted property or any property which by the provisions of Section 7.01 may be sold, exchanged or otherwise disposed of or dealt with by the Company without any release or consent of the Trustees, and the Company requests the Trustees to furnish a written disclaimer or quitclaim of any interest in such property under this Indenture, the Trustees shall execute such an instrument, without substitution of other property or cash except as required by Section 7.01, upon delivery to the Corporate Trustee of

(a) an application of the Company reciting the sale, exchange or other disposition made or proposed to be made and describing in reasonable detail the property affected thereby, and stating that such property is excepted property or that such property is property which by the provisions of Section 7.01 may be sold, exchanged or otherwise disposed of or dealt with by the Company without any release or consent of the Trustees, and in the latter case that the provisions of said Section regarding substitution of property or deposit of consideration have been complied with, and that a written disclaimer or quitclaim by the Trustees as to such property has been requested; and

(b) an opinion of counsel (who, in giving such opinion in respect of unproven gas acreage may rely upon the opinion of an independent geologist) stating that the property described in the Company's application is not subject to the lien hereof or required to be subjected thereto by any of the provisions hereof or may be sold, exchanged, or otherwise disposed of or dealt with under the provisions of Section 7.01 without any release or consent of the Trustees and in the latter case stating what, if any, substitution of property or deposit of cash is required by the provisions of said Section.



Such evidence shall be full authority for the Trustees to execute such disclaimer or quitclaim and the Trustees in so doing shall be without liability.

SECTION 7.07. In case the mortgaged property shall be in the possession of a receiver or trustee, lawfully appointed, the powers hereinbefore conferred upon the Company with respect to the release, sale or other disposition of property subject to the lien hereof may be exercised by such receiver or trustee, and an instrument signed by such receiver or trustee shall be deemed the equivalent of any resolution of the Board of Directors of the Company and an application or certificate signed by such receiver or trustee shall be deemed the equivalent of any application or certificate of the Company or of any officer of the Company required by the provisions of this Article; and, if the Trustees shall be in possession of the mortgaged property under any provision of this Indenture, then such powers may be exercised by the Trustees in their discretion.

SECTION 7.08. The Trustees shall execute any release, consent, disclaimer or quitclaim under the provisions of Section 7.05 or Section 7.06 (with respect to excepted property), notwithstanding that an event of default shall have happened and be continuing, and the Trustees may in their absolute discretion (but shall not be bound to) execute any release under the provisions of Section 7.02 or Section 7.03 notwithstanding that at the time an event of default shall have happened and be continuing.

SECTION 7.09. No purchaser in good faith of property purporting to be released hereunder by the Trustees, or in respect of which the Trustees shall have furnished a written disclaimer or quitclaim as provided in Section 7.06, shall be bound to ascertain the authority of the Trustees to execute any such release, disclaimer or quitclaim, or be bound to inquire as to any facts required by the provisions hereof for the exercise of such authority, or to see to the application of any consideration paid by such purchaser.

SECTION 7.10. The Company in lieu of depositing with the Corporate Trustee any cash and/or purchase money obligations required to be so deposited by any provision of this Article Seven, may deliver to the

Corporate Trustee (i) a certificate of the trustee or other holder of a prior lien, stating that a specified amount of such cash and/or purchase money obligations has been deposited with such trustee or other holder pursuant to the requirements of such prior lien, and (ii) an opinion of counsel stating that such deposit is required by such prior lien.

Upon the cancellation and discharge of any prior lien, the Company will cause all cash and purchase money obligations then held by the trustee or other holder of such prior lien, which were received by such trustee or other holder by reason of the release of, or which represent the proceeds of the taking by eminent domain or any other disposition of, or the proceeds of insurance on, any of the mortgaged property (including all proceeds of or substitutes for any thereof), to be paid to and/or deposited and pledged with the Corporate Trustee, subject to no lien or charge prior to the lien of this Indenture, such cash to be held and paid over or applied by the Corporate Trustee as provided in Section 7.12 and such purchase money obligations to be held and disposed of as provided in Section 7.04; provided, however, that in lieu of paying or delivering to the Corporate Trustee all or any part of such cash or purchase money obligations, the Company may deliver to the Corporate Trustee (i) a certificate of the trustee or other holder of some other prior lien, stating that a specified amount thereof has been deposited with such trustee or other holder pursuant to the requirements of such other prior lien, and (ii) an opinion of counsel stating that such deposit is required by such other prior lien.

SECTION 7.11. Sections 7.02, 7.03, 7.03A, 7.05 and 7.06 shall not be construed as being in limitation of one another, but as separate and independent methods of releasing or disposing of property subject to the lien of this Indenture.

SECTION 7.12. All cash received by the Corporate Trustee pursuant to any provision of this Article Seven, and all cash received by the Corporate Trustee pursuant to any other provision of this Indenture where no other specific method is prescribed for the disposal of such cash, shall (unless an event of default shall have happened and be continuing and subject to the provisions of the last paragraph of this Section 7.12) from time to time, upon receipt by the Corporate Trustee of an application of the Company, be paid out or applied by the Cor-

porate Trustee in accordance with the directions contained in such application, for any one or more of the following purposes, namely:

I. Such cash may be applied by the Corporate Trustee to the payment, purchase or redemption of bonds of any series secured by this Indenture but the amount so applied shall not exceed the principal amount of the bonds paid, purchased or redeemed. All sums required for the payment of interest and premium, if any, in connection with such payment, purchase or redemption shall be furnished by the Company. All bonds paid, purchased or redeemed pursuant to this paragraph I shall be canceled.

II. Any such cash representing the proceeds of (a) the release of gas production property under the provisions of Section 7.03, (b) the release of any shares of stock, obligations or other securities of any controlled corporation pledged hereunder pursuant to the provisions of Section 7.03A, or (c) moneys received by or paid to the Corporate Trustee under the provisions of Section 8.04, Section 8.06 or Section 8.10 hereof on account of or with respect to shares of stock, obligations or other securities of any controlled corporation pledged hereunder or on account of any subscription privileges accruing thereon may be paid out or applied by the Corporate Trustee at any time or from time to time as follows:

(a) upon delivery to the Corporate Trustee of an application of the Company requesting payment of such cash to the Company, such cash shall be paid to the Company in an amount or amounts equal to 66⅔% of the cost or fair value, whichever is lower, of such property or, in the case of gas production property, 66⅔% of the gas production expenditures of the Company relating thereto; and

(b) upon receipt by the Corporate Trustee of an application of the Company so requesting, such cash shall be applied by the Corporate Trustee to the payment, purchase or redemption of bonds of the series specified in such application, in which event the Corporate Trustee shall be furnished with and may rely upon a resolution of the Board of Directors of the Company authorizing and directing the Corporate Trustee to apply such cash to such purchase; provided that the amount of cash so applied shall not exceed the principal amount of the bonds paid, purchased or redeemed, and all sums required for the payment of interest and premium, if any, in connection with such payment, purchase or redemption shall be furnished by the Company. All bonds paid, purchased or redeemed pursuant to this clause (b) of Paragraph II (if not previously canceled) shall be canceled by the Corporate Trustee.



Until paid out or applied as above provided, such cash shall be held by the Corporate Trustee as part of the trust estate.

Whenever any such cash shall not have been paid out or applied as hereinbefore provided in this Section within three years after the receipt thereof by the Corporate Trustee, such cash (if in an amount equal to \$250,000 or more) shall, unless an event of default, as defined in Section 8.01, shall have happened and be continuing, be applied to the redemption of bonds (except any amount which shall not be sufficient to effect the redemption of the smallest outstanding bond or portion thereof which shall then be redeemable) on the earliest practicable date or dates on which the bonds of each redeemable series shall be redeemable, and the Company covenants that it will promptly call for redemption the bonds to be redeemed with such cash. So far as practicable, bonds of different series shall be redeemed pro rata according to the respective principal amounts of bonds of such series then outstanding.

Notwithstanding the foregoing provisions of this Section, if at any time there shall be released from the lien of this Indenture all or substantially all of the mortgaged property, all cash proceeds received by the Corporate Trustee upon the release thereof (and all cash deposited with the Corporate Trustee to obtain the release of any purchase money obligations deposited with the Corporate Trustee upon any such release) shall, unless an event of default shall have happened and be continuing, be applied forthwith by the Corporate Trustee to the redemption of bonds in the manner provided in the preceding paragraph and may not be withdrawn by the Company pursuant to this Section or in any other manner.

## ARTICLE EIGHT.

### CONCERNING THE PLEDGED SECURITIES.

SECTION 8.01. All stock certificates and all bonds, notes or other evidences of indebtedness which are required by any of the provisions of this Indenture to be pledged or which may be pledged with the Trustees hereunder shall be delivered to the Corporate Trustee and shall be held by and in the custody of the Corporate Trustee subject to the terms and provisions of this Indenture. All stock certificates, registered bonds and registered notes or other evidences of indebtedness which may at any time be delivered to the Corporate Trustee under

the terms of this Indenture shall be in bearer form or endorsed in blank for transfer or accompanied by proper instruments of assignment and transfer duly executed by the registered owners thereof. The Corporate Trustee may (but need not) cause such stock certificates, registered bonds and notes or other evidences of indebtedness to be transferred to or registered in its name as Corporate Trustee hereunder, or in the name or names of its nominee or nominees.

SECTION 8.02. Unless and until there shall have occurred and be continuing any event of default, or the Company shall be in default in the payment of interest on any of the bonds, the Company shall have the right to vote at any and all meetings of stockholders or security holders of any company or companies whose stocks or securities are pledged hereunder, for all purposes not contrary to its covenants herein contained or otherwise inconsistent with the provisions or purposes hereof, on any of the pledged stock, bonds, notes or other evidences of indebtedness, and the Corporate Trustee shall, at the written request of the Company signed on its behalf by its President or a Vice President, give a proxy or power of attorney to vote on such shares, bonds, notes or other evidences of indebtedness, to any person or persons selected by the Company, at any such meeting, for such purpose or purposes as may be specified in such request, and every such proxy or power of attorney may be limited so as to provide that the powers thereby conferred do not include any power to vote for or to authorize or consent to any act or thing inconsistent with the covenants and provisions and purposes of this Indenture.

SECTION 8.03. When and as soon as there shall occur any event of default or the Company shall be in default in the payment of interest on any of the bonds, the Corporate Trustee, subject to the provisions of Section 8.01, may cause all shares of stock then pledged and hypothecated hereunder to be transferred (if not already so transferred) into its own name or that of its nominee or nominees, and thereafter and while and so long as such default or event of default shall continue, the Corporate Trustee shall be entitled to exercise all the rights appertaining to the ownership of said shares of stock so pledged and hypothecated hereunder, including the voting power thereof. In voting upon such shares of stock, the Corporate Trustee shall incur no personal liability or responsibility by reason of any error of judgment or of law or of any matter or thing done or omitted

to be done under this Indenture or in the management of the affairs of any company whose stock is pledged hereunder or otherwise, except for its own wilful misconduct.

SECTION 8.04. In the event that any corporation whose stock is pledged hereunder shall take any proceedings to change the number of shares of its authorized stock, or to issue in exchange for the stock pledged any other stock of the same or other class or classes and/or other securities, or issue any greater or lesser number of shares in exchange for the stock pledged hereunder, or shall consolidate or merge with any other corporation (other than the Company) or sell its assets to any corporation (other than the Company) in exchange for stock and/or securities of such other corporation or shall change or readjust its outstanding capital stock or indebtedness or be dissolved, then and in any such event, upon receipt of an application of the Company so requesting, the Corporate Trustee is authorized to deliver the stock and/or securities then pledged hereunder and designated in such application for such stock and/or securities and/or property and/or cash as may be deliverable in exchange therefor; provided, however, that there shall be delivered to the Corporate Trustee an opinion of counsel, stating that all corporate proceedings necessary to authorize the issue of the stock and/or bonds, notes or other evidences of indebtedness to be received in exchange have been taken in accordance with the law and that such stock (if any is to be received in exchange) is fully paid and non-assessable, and has been legally authorized and issued and in the event that bonds, notes or other evidences of indebtedness are to be received in exchange that the same have been duly and legally authorized and issued and are the valid and binding obligations of the corporation issuing the same according to the terms thereof.

Any stock, bonds, notes or other evidences of indebtedness or other property received by the Corporate Trustee under the provisions of this Section shall be held by the Corporate Trustee as part of the trust estate, subject to the terms and conditions in this Indenture contained. In the event that, upon any such exchange, consolidation, merger, sale or dissolution, any cash shall be payable to the Company and/or to the Corporate Trustee in respect of any stock and/or other securities pledged hereunder, such cash shall be paid over to or held by the Corporate Trustee and be paid out or applied by it as provided in Section 7.12.



Nothing in this Section contained shall require the deposit or pledge with the Corporate Trustee of any cash or other property of a character excepted from the lien hereof in the case of any consolidation or merger with or transfer to the Company covered by the provisions of Section 8.11.

In any case where it may be necessary at any time that any shares of stock, bonds or notes or other evidences of indebtedness pledged hereunder be withdrawn from the Corporate Trustee before it is practicable for the Company to deposit with the Corporate Trustee the shares of stock, bonds, notes or other evidences of indebtedness or cash or other property to be issued in exchange or substitution therefor, the Corporate Trustee may surrender such deposited shares of stock, bonds, notes or other evidences of indebtedness under trust receipts or in any other manner and under such other conditions as the Corporate Trustee may deem necessary and proper under the circumstances.

The Corporate Trustee may receive an opinion of counsel as conclusive evidence that any such exchange or substitution is in compliance with this Section, and such opinion shall be full protection for any action taken by the Corporate Trustee pursuant thereto.

SECTION 8.05. The Corporate Trustee may (but need not) do whatever may be necessary for the purpose of maintaining, preserving, renewing or extending the corporate existence of any corporation, any part of the capital stock whereof shall be then pledged hereunder, and for such purpose from time to time the Corporate Trustee may sell, assign, transfer and deliver or permit the Company to sell, assign, transfer and deliver so many of the shares of stock of any such corporation as may be necessary to qualify persons to act as directors of or in any other official relation to such corporation. The Corporate Trustee may, and unless an event of default shall have happened and be continuing, shall, upon an application of the Company, assign and transfer to the persons designated by the Company a sufficient number of shares of the stock of any corporation which shall then be held hereunder to qualify such persons to act as directors of, or in any other official relation to, such corporation; provided that in each case the Corporate Trustee shall make such arrangements as it shall deem expedient for the protection of the trusts hereunder in respect of the shares of stock held hereunder so transferred.

Section 3.06. "Unless an event of default as defined in Section 3.01 ~~has~~ all have happened and shall be continuing or the Company shall be in default in the payment of interest on any of the bonds,

(1) the Company shall be entitled to receive all sums for interest on bonds, notes and other evidences of indebtedness at any time pledged under this Indenture and the Corporate Trustee, upon the application of the Company, shall deliver from time to time as directed in such application, as they severally mature, the coupons for interest on any coupon bonds, notes and/or other evidences of indebtedness in the possession of the Corporate Trustee, and from time to time, upon like application, shall execute and deliver, as directed in such application, suitable assignments and orders for the payment of interest which the Company shall be entitled to receive upon other bonds or notes and other evidences of indebtedness, if such assignments or orders shall be necessary to enable the Company to collect such interest; (2) the Company shall be entitled to receive all cash dividends on shares of stock at any time pledged under this Indenture, which shall be paid or collected after the effective date of this Indenture out of net earnings or earned surplus, and on like Application the Corporate Trustee shall execute and deliver, as directed in such application, suitable orders for the payment of such dividends; and (3) the Company shall be entitled to receive all subscription privileges accruing in respect of any stock pledged hereunder and, in the case of subscription privileges accruing in respect of the stock of any subsidiary, to exercise such privileges provided that any additional stock acquired through the exercise of such privileges shall forthwith be pledged hereunder, or, in the case of subscription privileges accruing in respect of the stock of any controlled corporation or any other stock pledged hereunder, to exercise or to sell or otherwise dispose of such privileges provided that the Company shall pay to the Corporate Trustee, promptly after the expiration or termination of the applicable subscription period, a sum in cash equal to any net proceeds realized by the Company on any sale or other disposition of such subscription privileges or, in the event of the exercise of such privileges by the Company, a sum in cash equal to the average market price of such privileges during the subscription period applicable thereto;

provided, however, and it is hereby agreed that, except as in this Indenture otherwise expressly provided, the Company shall not be entitled to receive and the Corporate Trustee shall not pay over to the Company,

(a) any sum paid or collected on account of the principal of any of the bonds, notes or other evidences of indebtedness

from time to time pledged under this Indenture; (b) any sum paid or collected on account of interest, or premium, if any, on any of the bonds or notes or other evidences of indebtedness subject to this Indenture, which shall have been collected or paid out of the proceeds of any sale of or compensation for the property covered by any mortgage securing such bonds, notes or other evidences of indebtedness or out of the proceeds of the sale of any other property of the Company liable upon such obligations; (c) any dividends, moneys or other distributions paid on or with respect to any shares of stock pledged hereunder which shall have been collected or paid otherwise than out of net earnings or earned surplus; or (d) any shares of stock issued in respect of any stock dividend or dividends paid on any shares pledged hereunder, and the Company covenants and agrees that certificates properly endorsed in blank or accompanied by appropriate instruments of assignment and transfer, representing all shares so issued, shall promptly be deposited and pledged with the Corporate Trustee hereunder as additional security for the bonds secured hereby.

The Company covenants and agrees that it will, forthwith upon the receipt thereof by it, pay over to the Corporate Trustee any cash coming within the provisions of subdivisions (a), (b) or (c) of the first paragraph of this Section. All such cash, whether received directly by the Corporate Trustee or paid over to it by the Company, shall be paid out or applied by the Corporate Trustee as provided in Section 7.12. Any cash paid by the Company to the Corporate Trustee pursuant to the provisions of subdivision (3) of the first paragraph of this Section on account of the exercise, sale or other disposition of subscription privileges accruing in respect of any stock of any controlled corporation pledged hereunder shall also be paid out or applied by the Corporate Trustee as provided in Section 7.12.

All coupons and other rights or claims for interest on any bonds, notes or other evidences of indebtedness pledged hereunder and all rights to dividends on stock pledged hereunder shall remain subject hereto until actually paid to or released and discharged by the Company.

If any coupon delivered to the Company or if any claim for interest or for dividends shall not forthwith be paid, released or discharged, the Company shall return to the Corporate Trustee such coupon or the evidence of such claim or of the right of the Company to collect the same and, in case of the payment or release of any such coupon or



claims, shall, upon demand of the Corporate Trustee, furnish satisfactory evidence of the cancellation, release and discharge thereof.

The Company shall not collect any coupon or claims for interest on any claim or obligation pledged hereunder by legal proceedings or by enforcement of any security thereon, except with the written assent of the Corporate Trustee, or in any manner which the Corporate Trustee shall deem prejudicial to the trusts hereunder.

The Corporate Trustee may from time to time be notified in writing to the contrary by the holders of at least 30% in principal amount of the bonds secured hereby and then, notwithstanding, that all dividends or other distributions received by it or by the Company in respect of any shares of stock pledged hereunder were paid out of net earnings or earned surplus of the company paying the same and that the Company is entitled to receive any sums paid or collected on account of interest on any bonds, notes or other evidences of indebtedness pledged hereunder.

SECTION 8.07. If an event of default shall have happened and shall be continuing or if the Company shall be in default in the payment of interest on any of the bonds, the right of the Company to receive interest, dividends or other distributions, as provided in Section 8.06, shall cease and terminate and the Corporate Trustee, in addition to the other remedies herein provided, may revoke any assignments or orders theretofore delivered to the Company, as provided in Section 8.06, and shall be entitled to collect or receive any dividends or other distributions on any shares of stock and any sums payable for interest upon any bonds or notes or other evidences of indebtedness at the time pledged under this Indenture; and the Company any stock, bonds, notes or other evidences of indebtedness of which are at the time subject to the lien of this Indenture, to make such payments to the Corporate Trustee. If such event of default or the right of the Company to release and discharge such claims for interest and to receive and collect such dividends on such shares of stock and such interest on such bonds, notes or other evidences of indebtedness and the duty of the Corporate Trustee to execute such assignments and orders shall revive and continue, as though no such event of default or default had taken place, subject to all the terms

and provisions of Section 8.06, and the Corporate Trustee shall pay over to the Company the amount, if any, of any such interest or dividends collected or received by the Corporate Trustee and then remaining unexpended in its hands.

**Section 8.08.** All bonds, notes or other evidences of indebtedness pledged hereunder shall be held in the manner hereinbefore provided by the Corporate Trustee as security for the bonds issued hereunder upon the trusts herein declared, entitled to the full benefit of all liens, titles, rights and security under all mortgages, deeds of trust or other instruments or agreements securing or purporting to secure the same, and, except as otherwise expressly provided in this Indenture, the Corporate Trustee shall be subrogated to and vested with all rights and liens to which the holders of such bonds, notes or other evidences of indebtedness shall have been entitled at or immediately prior to the time of the pledge thereof hereunder.

**Section 8.09.** In case default shall be made in the payment of the principal of or interest on any of the bonds, notes or other evidences of indebtedness which shall have been delivered to and shall be held by the Corporate Trustee hereunder, then and in any such case the Corporate Trustee in its discretion may, and if it be so requested in writing by the Company or by the holders of not less than 25% in principal amount of the bonds hereby secured then outstanding and there be tendered reasonable security and indemnity satisfactory to the Corporate Trustee for its expenses in connection therewith (including fees of its counsel) and any liability which the Trustees or either of them might incur in the premises shall, cause any action at law or suit in equity or other proceeding to be instituted and prosecuted to collect or enforce such bonds, notes or other evidences of indebtedness or to foreclose or enforce the mortgage or trust or charge or agreement by or under which such bonds, notes or other evidences of indebtedness in default are secured or issued.

**Section 8.10.** In case all or any of the property of any company any of whose bonds, notes or other evidences of indebtedness or capital stock shall be subject to this Indenture shall be sold upon the insolvency of such company or otherwise, at any judicial or other sale, or in case any property covered by a mortgage or other lien securing any bonds or other obligations held by the Corporate Trustee here-

under shall be sold upon foreclosure of such mortgage or lien, then and in every such event, if the property of such company or the property sold can be acquired by crediting on the books of the company or other evidences of indebtedness or capital stock held by the Corporate Trustees hereof, any sum accruing or to be received thereon out of the proceeds of such property, and by paying in cash not more than 10% of the price of such property or such larger sum as shall be authorized by the holders of a majority in principal amount of the bonds hereby secured then outstanding, the Corporate Trustees in its discretion may, and if it shall be requested in writing by the Company or by the holders of a majority in principal amount of the bonds hereby secured then outstanding and shall be provided by them or any of them with the amount of cash necessary therefor (whether such amount be more or less than 10% of the price of such property) shall, purchase or shall cause to be purchased or shall permit the Company to purchase such property, either in the name or on behalf of the Corporate Trustees or of the Company or of purchasing trustees, and it shall use or shall permit the Company to use such bonds, notes or other evidences of indebtedness or capital stock, as far as may be, to make payment for such property. In case of any such purchase, the Corporate Trustees shall take such steps as it may deem proper to cause such property to be vested in the Company, subject to the lien of this Indenture, or if the Company shall so direct, to be vested in some other corporation organized or to be organized with power to acquire and manage said property, provided that all the bonds and other indebtedness and capital stock thereof (excepting the number of shares required to qualify directors) shall be delivered to the Corporate Trustees and subjected to the lien of this Indenture.

The Corporate Trustees, at any time, with the consent of the Company, may join in any plan of reorganization or readjustment in respect of any bonds, notes or other evidences of indebtedness or capital stock subject to the lien hereof, and may accept new securities issued in exchange therefor, or cash paid on account thereof, under such plan and which shall be subject to this Indenture. Any such cash received by the Corporate Trustees shall be paid out or applied as provided in Section 7.12.

The Corporate Trustees may, and unless an event of default shall have happened and be continuing, shall, upon the written request of the Company, consent to the extension of the maturity of any bonds,



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notes or other evidences of indebtedness subject to the lien hereof, to such date and at such rate of interest as the Company shall request.

Section 8.11. Nothing herein contained shall be construed as permitting a subsidiary to consolidate or merge into or with, or to sell, transfer or convey all or substantially all of its property and assets to, any corporation other than the Company or a subsidiary or a corporation which will thereafter be or become a subsidiary.

Any corporation whose stock is pledged hereunder may be consolidated with or merged into, or may transfer its properties as an entirety to the Company (whether upon dissolution or otherwise), provided that forthwith upon the consummation of such consolidation, merger or transfer the Company shall execute and deliver to the Corporate Trustee an indenture supplemental hereto, subjecting to the lien hereof, subject only to permitted encumbrances and other liens or encumbrances existing thereon at the time of such consolidation, transfer or merger, all of the properties of such corporation, except properties of the character excepted from the lien hereof, together with an opinion of counsel that such supplemental indenture complies with the requirements of this Section; and provided further that, in case of the consolidation of any such corporation with the Company, the provisions of Article Thirteen shall be complied with. Upon the consummation of any such consolidation, merger or transfer, the pledged shares of stock or securities of any such corporation shall be surrendered to or on the order of the Company, provided there shall have been delivered to the Corporate Trustee a supplemental indenture and opinion of counsel as above provided.

Section 8.12. The Company covenants that on demand of the Corporate Trustee it will pay the amount of all transfer taxes, if any, due in the case of any substitutions, exchanges and transfers of stock, bonds, notes or other evidences of indebtedness made pursuant to the provisions of this Article Eight, or any other provision of this Indenture.

#### ARTICLE NINE.

##### Events of Default of the Trustee and Bondholders.

Section 9.1. If any one or more of the following events (which are events of default) shall happen (for any reason whatsoever, and whether such happening shall be voluntary



or involving any or come about or be effected by application of law or pursuant to or in accordance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body, that is to say:

(a) default shall be made by the Company in the due and punctual payment of any instalment of interest on any bond or bonds secured by this Indenture, as and when the same becomes due and payable, as therein expressed, and any such default shall continue for a period of fifteen days; or

(b) default shall be made in the due and punctual payment of the principal of, or premium, if any, on, any bond or bonds hereby secured, when and as the same shall become due and payable, whether at maturity, upon designation for redemption thereof, by declaration or otherwise; or default shall be made in the making of any sinking fund payment when and as the same shall become due as herein expressed; or

(c) default shall be made in the performance or observance of any of the covenants contained in Sections 6.08, 6.12, 6.17(b) through 6.17(e) and 6.22 hereof, and any such default shall continue for a period of fifteen days; or default shall be made in the due observance or performance of any other of the covenants, conditions or agreements on the part of the Company herein or in any indenture supplemental hereto or in the bonds contained or referred to, to be by it kept or performed, and any such default or defaults shall continue for a period of thirty days after written notice, specifying such default or defaults and requiring the same to be remedied, shall have been given to the Company by registered mail by the Corporate Trustee (who may give such notice in its discretion, and shall give such notice upon request of the holders of not less than 25% in principal amount of the bonds then outstanding); or

(d) default shall be made in the due and punctual payment of the principal of any bonds secured by a prior lien when and as the same becomes due and payable, either at maturity thereof, by declaration or otherwise, or default shall be made in the due and punctual payment of any instalment of interest on any such bonds when and as the same shall become due and payable, and such default shall continue beyond the period of grace, if any, applicable thereto; or

(e) by an order of a court of competent jurisdiction a receiver or receivers for the Company or of all or any substantial part of the mortgaged property shall be appointed upon the application of any creditor in an insolvency or bankruptcy proceeding or other creditors' suit, and any such order shall have con-

tinned unstayed on appeal or otherwise and in effect for a period of sixty days, or a creditors' petition in a reorganization proceeding against the Company under the Bankruptcy Act shall be approved by any such court and the order granting such approval shall have continued unstayed on appeal or otherwise and in effect for a period of sixty days, or a petition for the adjudication of the Company as insolvent or bankrupt or for the appointment of a receiver or receivers of the Company, or of all or substantially all of its property, shall be duly filed and shall not be dismissed within ninety days after the filing thereof; or

(f) by decree of a court of competent jurisdiction the Company shall be adjudicated insolvent or a bankrupt, or the Company shall file a voluntary petition in bankruptcy or shall make an assignment for the benefit of creditors, or shall consent to the appointment of a receiver (other than a receiver appointed as hereinafter in Section 9.19 provided) of all or any substantial part of the mortgaged property, or to any adjudication of insolvency or bankruptcy, or the Company shall file a petition or an answer admitting the material allegations of a creditor's petition in a reorganization proceeding under the Bankruptcy Act; or

(g) an event of default (as defined in the Trust Indenture dated as of January 31, 1974, between the Company and The Chase Manhattan Bank (National Association), as Trustee, as said Trust Indenture may from time to time be in effect, shall have occurred;

then and in each and every such case the Trustees, or their successor or successors in the trust, may, in their discretion, and, if requested in writing by the holders of 25% in principal amount of the bonds then outstanding, shall, by notice in writing addressed to the Company and delivered or mailed to the Company at its office in Salt Lake City, Utah, at any time during the continuance of such event of default, declare the principal of all the bonds hereby secured then outstanding, and the interest accrued and unpaid thereon, if not already due, to be and thereupon the same shall become and be immediately due and payable, anything in this Indenture or in the bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if, at any time after the principal of the bonds shall have been so declared due and payable and before any sale of the mortgaged property shall have been made, all arrears of interest upon all such bonds, with interest at the rate of 6% per annum on all overdue instalments of interest, if and to the extent permitted by law, together with the reasonable charges and expenses of the Trustees, the agents and attorneys,

and all other sums which may have become due and payable by the Company under this Indenture, other than the principal of such bonds as shall not have become due and payable by their terms or upon designation for redemption, shall either be paid by the Company to those entitled thereto (or to the Trustees for their account) or be collected out of the mortgaged property, and all other defaults hereunder and under the bonds known to the Trustees shall have been made good and secured to the satisfaction of the Trustees, or provision deemed by the Trustees to be adequate therefor shall have been made, or shall have been waived as in Section 9.22 provided, then and in every such case the holders of a majority in principal amount of the bonds then outstanding, by written notice to the Company and to the Trustees, may annul such declaration and waive such default and its consequences, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 9.02. In case any one or more of the events of default shall happen and be continuing, then and in each and every such case the Trustees, or their successor or successors in the trust, personally or by their attorneys or agents, are hereby authorized and empowered, either with or without a request by holders of bonds as hereinafter in this Section provided, and whether or not the principal of the bonds shall have matured or been declared due, to exercise any one or more of the following remedies, and to do or cause to be done any or all of the following acts and things, namely:

(1) The Trustees, to the full extent that may be permitted by law, may enter into and upon and take possession of any or all of the mortgaged property and each and every part thereof, and may exclude the Company, its successors or assigns, its or their agents and servants, wholly therefrom; and have, hold, use, operate, manage and control the mortgaged property and each and every part thereof, and, in the name of the Company or otherwise as they shall deem best, conduct the business thereof and exercise the franchises pertaining thereto and all the rights and powers of the Company, and use all the then existing property and assets for that purpose either personally or by their superintendents, managers, receivers, agents and/or servants or attorneys, as they shall deem to the best advantage of the holders of the bonds hereby secured; and, at the expense of the mortgaged property, from time to time, either by purchase, repairs or construction, may maintain and restore, and insure, and keep insured, the equipment, tools and machinery, and other property and premises whereof they shall become possessed as aforesaid,

in the manner and to the same extent as is usual with similar companies, and likewise, from time to time, at the expense of the mortgaged property, may make all necessary and/or proper repairs, renewals and replacements and useful alterations, additions, betterments, and improvements thereto and thereon, as to them may seem judicious; may collect and receive all tolls, earnings, income, rents, issues, profits and revenues of the same and of every part thereof; and after deducting the expenses of operating said premises and properties and of conducting the business thereof and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for interest, taxes, assessments, insurance and prior or other charges upon the mortgaged property or any part thereof, which the Trustees may deem it advisable to pay in the interest of the bondholders, as well as all their expenses and just and reasonable compensation for their own services and for all agents, clerks, servants and other employees by them properly engaged and employed, they shall apply the balance of the moneys received by them as follows:

(a) In case the principal of none of the bonds shall have become due, to the payment of the instalments of interest in the order of their maturity, with interest, if and to the extent permitted by law, on such overdue instalments of interest, at the rate of 6% per annum, and next, to the discharge of any overdue payments to any sinking fund.

(b) If the principal of any, but not all, of the bonds shall have become due, by maturity, declaration or otherwise, first to the payment of the instalments of interest in default, in the order of their maturity, with interest, if and to the extent permitted by law, on such overdue instalments of interest, at the rate of 6% per annum, and next to the payment of the principal of all the bonds then due, with interest on the overdue principal at the rate of 6% per annum, pro rata, without any preference or priority whatsoever.

(c) In case the principal of all the bonds shall have become due, by maturity, declaration or otherwise, then as provided in paragraphs Second and Third of Section 9.12.

Whenever all that is due upon such bonds and instalments of interest under any of the terms of this Indenture shall have been paid and all events of default made good to the satisfaction of the Trustees, and no suit to foreclose or enforce this Indenture shall have been begun or sale made as hereinafter provided, and after payment in full of the compensation and expenses of the Trustees and their said attorneys, counsel, agents, clerks,



servants and other employees, and after provision satisfactory to the Trustees for the payment of the next maturing semi-annual instalment of interest upon the bonds of all series then outstanding shall have been made, the Trustees shall surrender possession of the mortgaged property (other than cash or securities at the time required to be held by the Trustees hereunder) to the Company, its successors or assigns; the same right of entry, however, to exist upon any subsequent event of default.

(2) The Corporate Trustee may, with or without entry, collect or enforce the collection of all interest payable in respect of any bonds, notes or other evidences of indebtedness and all dividends paid on any shares of stock which may at the time be held in pledge hereunder, and/or may exercise in its discretion any or all of the voting power represented by any such pledged stocks in the election of directors or for any other purpose or purposes, whether or not the same shall have been transferred into the name of the Corporate Trustee or its nominee or nominees. Any sums so collected or received by the Corporate Trustee shall be held and applied by it in like manner as is provided in the foregoing subdivision (1) of this Section 9.02 in respect of tolls, earnings, income, rents, issues, profits and revenues collected or received by the Trustees from or on account of the mortgaged property.

(3) The Trustees may, with or without entry, sell or dispose of, subject to all the liens thereon which then shall be prior and superior to the lien of this Indenture, or free from such liens as they, in their discretion, may elect to discharge, all or any part or parts of the mortgaged property and all or any part or parts of the right, title, interest, claim and demand of the Company therein and the right of redemption thereof, at public auction at such time or times and place or places and upon such conditions as to upset or reserve bids or prices and as to terms of payment including terms as to credit, partial credits and security for payment and other terms of sale as the Trustees may fix, or as may be required by law, including power and authority to the Trustees to rescind or vary any contract of sale that may be entered into and to resell under the powers herein conferred.

(4) The Trustees may proceed to protect and to enforce their rights and the rights of the bondholders under this Indenture by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted or for the foreclosure of this Indenture, or for the sale of the mortgaged property under the judgment or decree of any court or courts of competent jurisdiction, or by any other appropriate legal or equitable remedy as the Trustees, being advised by counsel,

shall deem most effectual to protect and enforce any of their rights or duties hereunder.

In case any one or more of the events of default shall happen and be continuing, it shall be the duty of the Trustees upon being so requested in writing by the holders of at least 25% in principal amount of the bonds then outstanding, and upon being indemnified to their satisfaction against costs, expenses and liability which may be incurred by acting in pursuance of such request, to proceed to exercise some one or more of the foregoing remedies, but neither this provision nor the provisions of Section 9.24 shall be construed as authorizing the holders of said percentage of the principal amount of the bonds outstanding to require the Trustees to exercise the particular remedy or remedies specified in such request or to control the discretion of the Trustees as to the time, place and manner of conducting the proceedings for the exercise of the remedy or remedies which the Trustees shall determine to exercise.

SECTION 9.03. In case any one or more of the events of default shall happen and be continuing and the Trustees shall proceed by suit or suits at law or in equity, or by any other judicial proceeding, they shall be entitled to have the mortgaged property sold by judicial sale under the order of a court or courts of competent jurisdiction, or under executory or other legal process, for or toward the satisfaction of the principal and interest due or owing upon the then outstanding bonds issued under or entitled to the benefit of the security of this Indenture, and for the enforcement of the rights, liens and security of the Trustees and the bondholders, and shall be entitled, as a matter of right, pending any such suit or proceeding, to a receivership of the mortgaged property and of the earnings, revenues, issues, profits and income thereof, whether the mortgaged property shall or shall not be adequate and sufficient to pay and satisfy the bonds then outstanding; but, notwithstanding the appointment of any receiver, the Trustees shall be entitled to the possession and control of any cash, bonds or other obligations and/or stock at the time held by, or payable or deliverable under the provisions of this Indenture to, the Trustees.

Any receiver of the mortgaged properties, or any trustee in bankruptcy, appointed upon the application of the Trustees or of the holders of the bonds, shall, to the extent permitted by law, at the same time be entitled to take possession of any and all excepted property which may be necessary or useful in the operation of the mortgaged property

and use the same in the operation of the mortgaged property, provided, however, that the lien of this Indenture shall not thereby be extended to such excepted property and such receiver or trustee shall be accountable to the Company, its successors or assigns, or to who ever may be lawfully entitled thereto, for any such excepted property so taken or used or for the income therefrom so taken or used.

**Section 8.04** In the event of any sale, whether made under the power of sale herein granted or conferred, or under or by virtue of judicial proceedings, or of some judgment or decree of foreclosure and sale, the whole of the mortgaged property shall be sold in one parcel and as an entirety, in any one of the counties in which any part of the mortgaged property lies, including all the rights, titles, estates, equipment, franchises, privileges, contracts, mortgages and other real and personal property, of every name and nature, unless such sale as an entirety is impracticable by reason of some statute or other cause or in the discretion of the Trustees, not desirable in the interest of the bondholders, or unless the holders of a majority in principal amount of the bonds hereby secured then outstanding shall in writing request the Trustees to cause the mortgaged property to be sold in parcels, in which cases the sale shall be made in such parcels and in such order as in the former case shall be determined by the Trustees, and in the latter case as may be specified in such request, or, if not so specified, as the Trustees in their discretion shall deem most expedient in the interest of the bondholders, and this provision shall bind the parties hereto and each and every one of the holders of the bonds hereby secured or intended so to be; and the Company, for itself and all persons, firms and corporations claiming by, through or under it, or who may at any time hereafter become holders of liens junior to the lien of this Indenture, hereby expressly waives and releases any and all right to have the mortgaged property or any part thereof marshalled upon any sale, foreclosure or other enforcement hereof; and the Trustees, or any court in which the foreclosure of this Indenture or the administration of the trusts hereby created is sought, shall have the right as aforesaid to sell the entire mortgaged property as a whole in a single parcel.

**Section 8.05.** Notice of any sale, pursuant to any provision of this Indenture, shall state the time and place when and where the same is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published prior to such

sale once in each of four consecutive calendar weeks in a newspaper printed in the English language and customarily published on each business day and of general circulation in the City of Salt Lake, Salt Lake County, State of Utah, but the Trustees shall give notice in such other manner and in such other places as may be required by law or as they may deem advisable.

SECTION 9.06. The Trustees may adjourn and from time to time readjourn any sale to be made by them under the provisions of this Indenture, by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, without further notice or publication, they may make such sale at the time and place to which the same shall be so adjourned or readjourned.

SECTION 9.07. Upon the completion of any sale or sales under or by virtue of the provisions of this Indenture, the Trustees shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed or good and sufficient deeds and other instruments conveying, assigning and transferring the property and franchises sold. The Trustees and their successors are hereby appointed the true and lawful attorneys irrevocable of the Company, in its name and stead, to make all necessary deeds and conveyances of property thus sold, and for that purpose they may execute all necessary acts of assignment and transfer, and may substitute one or more persons with like power, the Company hereby authorizing, ratifying and confirming all that its said attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof. Nevertheless, the Company, if so requested by the Trustees, shall ratify and confirm such sale or sales by executing and delivering to the Trustees or to such purchaser or purchasers all such transfers, assignments and conveyances as may be necessary or in the judgment of the Trustees proper for the purpose and as may be designated in such request.

SECTION 9.08. Any such sale or sales made under or by virtue of the provisions of this Indenture, whether under the power of sale hereby granted and conferred, or under or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Company of, in and to the premises and property sold, and shall be a perpetual bar, both at law and in equity, against the Company, its successors and/or assigns, and against any and all persons claiming or to claim the prem-



ises and property sold, or any part thereof, from, through or under the Company, its successors and/or assigns.

SECTION 9.9. The personal property and chattels conveyed or intended to be conveyed by or pursuant to this Indenture, both those now held and those hereafter acquired, shall be deemed real estate for all the purposes of this Indenture, and shall be held and be taken to be fixtures and appurtenances of real estate of the Company, and, in case of foreclosure sale of the property hereunder whether by legal process, judicial sale or under the powers hereof or otherwise, are to be used and to be sold therewith and not separate therefrom, except as herein otherwise provided.

SECTION 9.10. The receipt or receipts of the Trustees or of the court officer conducting any such sale for the purchase money paid at any such sale shall be a sufficient discharge therefor to any purchaser of the premises and property or any part thereof sold as aforesaid; and no such purchaser or his representatives, grantees and/or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Indenture, or in any manner whatsoever be answerable for any loss, misapplication or non-application of any such purchase money or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

SECTION 9.11. Upon any sale, as aforesaid, any purchaser or purchasers at said sale or sales for the purpose of making settlement or payment for the property purchased shall be entitled to turn in, use and apply any bonds then outstanding, and any claims for interest secured by this Indenture then matured and unpaid, toward the payment of said purchase money, by presenting the same so that there may be credited as paid thereon the sums applicable to the payment thereof out of the net proceeds of such sale to the holder of such bonds as his ratable share of such net proceeds, after allowing for the proportion of the purchase price required to be paid in cash for the costs and expenses of the sale, compensation and other charges; and thereupon a purchaser shall be credited on account of such purchase price payable by him with the portion of such net proceeds that shall be applicable to the payment of, and that shall have been credited upon, the bonds and claims so presented; but such bonds and claims so applied in payment by the purchaser or purchasers shall be deemed to

be paid only to the extent so applied; and at any such sale any bondholder or bondholders may bid for and purchase such property and make payment on account thereof as aforesaid, and upon compliance with the terms of sale may hold, retain and dispose of such property without further accountability therefor.

SECTION 9.12. The purchase money, proceeds or avails of any such sale or sales, whether under the power of sale herein granted or pursuant to judicial proceedings, together with any other amounts of cash which then may be held by the Trustees under any of the provisions of this Indenture as part of the trust estate, shall be applied as follows:

First. To the payment of the costs and expenses of such sale, including reasonable compensation to the Trustees, their agents, attorneys and counsel, and of all expenses, liabilities and advances made or incurred by the Trustees under this Indenture, and to the payment of all taxes, assessments or liens prior to the lien of this Indenture except any taxes, assessments or other superior liens subject to which such sale shall have been made.

Second. To the payment of the whole amount of the principal, interest and premium, if any, which shall then be owing or unpaid upon the bonds hereby secured or any of them, with interest at the rate of 6% per annum on the overdue principal and, if and to the extent permitted by law, on overdue instalments of interest and premium, if any, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the bonds, then to the payment of such principal, interest and premium, if any, ratably to the aggregate of such principal and unpaid interest and premium, if any, without preference or priority of principal over interest or premium, if any, or of interest over principal or premium, if any, or of premium over any other instalment of interest, or of the bonds of any series over the bonds of any other series. Such payments shall be made on or after the date fixed therefor by the Trustees, upon presentation of the several bonds and stamping such payment thereon, if partly paid, and upon surrender and cancellation thereof, if fully paid.

Third. To the payment of the surplus, if any, to the Company, its successors or assigns, or to whosoever may be lawfully entitled to receive the same.

SECTION 9.13. Upon any sale being made either under the power of sale hereby given or under judgment or decree in any judicial pro-

proceedings for the foreclosure or other proceedings for the enforcement of this Indenture, the principal of all bonds then outstanding hereunder, if not previously due, together with all accrued and unpaid interest thereon, shall at once become and be immediately due and payable, anything in said bonds or in this Indenture contained to the contrary notwithstanding.

SECTION 9.14. The Company covenants that in case

(1) default shall be made in the payment of any interest on any bond or bonus at any time outstanding and secured by this Indenture and such default shall continue for a period of fifteen days, or

(2) default shall be made in the due and punctual payment of the principal, or premium, if any, on, any bond or bonus hereby secured when and as the same shall become due and payable, whether at maturity, upon designation for redemption thereof (for any sinking fund or otherwise), by declaration or upon a sale of the mortgaged property, as herein provided,

then, upon demand of the Trustees, the Company will pay to the Trustees, for the benefit of the holders of the bonds hereby secured then outstanding, the whole amount which then shall have become due and payable on all such bonds then outstanding, for interest or principal or premium, if any, or any of them, as the case may be, with interest at the rate of 6% per annum upon the overdue principal and premium, if any, and, if and to the extent permitted by law, on overdue installments of interest; and in case the Company shall fail to pay the same forthwith upon such demand, the Trustees, in their own names and as trustees of an express trust, shall be entitled to sue for and to recover judgment for the whole amount so due and unpaid.

The Trustees shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the mortgaged property, and the right of the Trustees to recover such judgment shall not be affected by any entry or sale hereunder or by the exercise of any other right, power, or remedy for the enforcement of the provisions of this Indenture or the foreclosure of the lien hereof; and in case of a sale of any of the mortgaged property and of the application of the proceeds of sale to the payment of the indebtedness hereby secured,

the Trustees, in their own names and as trustees of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the bonds issued hereunder and then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of such indebtedness remaining unpaid with interest as aforesaid. No recovery of any such judgment by the Trustees and no attachment or levy of any execution upon any such judgment, upon the mortgaged property or any part thereof or upon any other property, shall, in any manner or to any extent, affect the lien of this Indenture upon the mortgaged property or any part hereof, or any lien, rights, powers or remedies of the Trustees hereunder, or of the holders of the bonds hereby secured, but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustees under the provisions of this Section shall be applied by them as follows:

First. To the payment of the costs and expenses of the proceedings resulting in the collection of such moneys, including reasonable compensation to the Trustees, their agents, attorneys and counsel, and of all expenses, liabilities and advances made or incurred by the Trustee, under this Indenture, or in executing any trust or power hereunder; and

Second. To the payment of the amounts then due and unpaid upon the bonds and for interest in respect whereof such moneys shall have been collected, ratably and without any preference or priority of any kind, according to the amounts due and payable upon said bonds and for interest respectively, to the date fixed by the Trustees for the distribution of such moneys, upon presentation of the several bonds and stamping such payment thereon, if partly paid, and upon surrender and cancellation thereof, if fully paid.

Section 9.15. The Trustees shall have power to institute and maintain such suits and proceedings as they may be advised by counsel shall be necessary or expedient to prevent any impairment of the security hereunder by any acts of the Company, or of others, in violation of this Indenture or unlawful, or by the Trustees deemed necessary or expedient to preserve and to protect their interest and the security and interest of the bondholders in respect of the mortgaged property, or in respect of the income, earnings, rents, issues, profits and revenues



arizing therefrom, including power to institute and to maintain suits or proceedings to restrain the enforcement of, or compliance with, or the observance of, any legislative or other governmental enactment, rule or order that may be deemed unconstitutional or otherwise invalid, if in the judgment of the Trustees the enforcement of, or compliance with, or observance of, such enactment, rule or order would impair the security hereunder or be prejudicial to the interests of the bondholders or of the Trustees; and upon request of the holder or holders of not less than 10% in principal amount of the bonds issued hereunder who shall furnish to the Trustees security and indemnity satisfactory to the Trustees for their expenses and compensation for their services and for any liability whatsoever which they may or might incur in the premises, it shall be the duty of the Trustees to proceed as authorized in this Section.

SECTION 9.16. Upon Default of the Company so to do, the Trustees may, in their discretion, and, if requested in writing by the holders of at least 25% in principal amount of the bonds then outstanding, and provided with the amount of cash necessary therefor and indemnified as hereinafter provided, shall, make any payment (other than the principal, interest and/or any sinking fund in respect of the bonds) which the Company by any provision of this Indenture agrees to make or cause to be made, and the Company covenants and agrees that it will forthwith repay to the Trustees all moneys which the Trustees shall so pay and will pay interest thereon from the date of such payment by the Trustees until the repayment thereof at the rate of 6% per annum; and until so paid, such advances shall be secured by a lien under and by virtue of this Indenture upon the mortgaged property, in preference to the bonds issued hereunder. No such payment by the Trustees shall be deemed to relieve the Company from the consequences of any event of default hereunder.

SECTION 9.17. The Company will not at any time insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force in any locality where the mortgaged property or any part thereof may or shall be situate, nor will it claim, take or insist on any benefit or advantage from any law, now or hereafter in force, providing for the valuation or appraisalment of the mortgaged property or any part thereof, prior to any sale or sales thereof to be made pursuant to any

provision herein contained, or to the decree of any court of competent jurisdiction, nor after any such sale or sales will it claim or exercise any right conferred by any law now or at any time hereafter in force to redeem the property so sold or any part thereof, and it hereby expressly waives all benefit and advantage of any such law or laws, and waives the appraisal of the mortgaged property or any thereof, and it covenants that it will not hinder, delay or impede the execution of any power herein granted and delegated to the Trustees, but that it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

SECTION 9.18. The Company for itself, its successors and assigns, hereby expressly covenants to and with the Trustees that at and immediately upon the commencement by the Trustees of any action, suit or other legal proceedings (1) to obtain possession of the mortgaged property, or any part thereof, the Company, its successors and assigns, shall and will, severally, waiving the issuance and service of process, enter its or their voluntary appearances in such suit or proceedings, and consent to the entry of a judgment for the recovery and possession of the mortgaged property and every part thereof, (2) for the foreclosure of the lien of this Indenture, the Company, its successors and assigns, shall and will, severally, waiving the issuance and service of process, enter its or their voluntary appearances in such suit or proceeding and consent to the appointment of a receiver of said property and the tolls, income and revenues thereof for the sole benefit of the holders of the bonds, and (3) pursuant to the terms hereof, to obtain judgment for the principal of or interest upon any of the bonds or for both, or to obtain judgment of any other nature in aid of the enforcement of the bonds, or of any of them, or of this Indenture, the Company, its successors or assigns, shall and will, severally, waiving the issuance and service of process, enter its or their voluntary appearances in such action, suit or proceeding and consent to the entry of a judgment for such principal and interest, and interest upon overdue principal and instalments of interest, and for the lawful costs and expenses and compensation of the Trustees and of their agents and attorneys, and for such other relief as the Trustees may be entitled to hereunder.

SECTION 9.19. At any time hereafter before full payment of the bonds secured hereby, and whenever the Company shall deem it to be expedient for the better protection or security of such bonds (although

then there shall be no event of default entitling the Trustees to exercise the rights and powers conferred by this Article), the Company, with the consent of the Trustees, may surrender and deliver to the Trustees or either of them full possession of the whole or of any part of the mortgaged property, for any period fixed or indefinite. In such event, the Trustees or either of them shall enter into and upon the premises so surrendered and delivered, and shall take and receive possession thereof for such period, fixed or indefinite, as aforesaid, without prejudice, however, to their right, at any time subsequently when entitled thereto by any provision hereof, to insist upon maintaining and to maintain such possession, though beyond the expiration of any prescribed period, and such Trustees or Trustee, from the time of entry, may have, hold, use, operate, manage and control the same in accordance with the provisions of, and shall receive and apply the income and revenues thereof as provided in subdivision (1) of Section 9.02.

Upon application of the Trustees, and with the consent of the Company if then there be no subsisting event of default and without such consent if then there shall be a subsisting event of default, a receiver may be appointed to take possession of and to operate, maintain and manage the whole or any part of the mortgaged property, wherever the same may be situated; and the Company shall, upon demand of the Trustees, transfer and deliver to such receiver all such property, wherever the same may be situated; and the receiver shall have power to continue all then pending actions and to hold and enforce all such choses in action as have accrued or are to accrue to the Company, as well as all of the earnings, income and profits thereof, for the sole benefit of the Trustees and the holders of the bonds then outstanding, and with such other or further powers as the court making such appointment shall confer; and in every case, when a receiver of the whole or of any part of the mortgaged property shall be appointed under the provisions of this Section or otherwise, the net income and profits of such property shall be paid over and received by the Trustees for the benefit of the holders of the bonds hereby secured, and the Trustees shall be entitled to continue to retain possession and control of all cash, securities and/or stock now or hereafter held by or deliverable to them hereunder; but in the event of any such receivership the Trustees may from time to time, in their discretion, turn over any part or all of the money so collected by them to such receiver and may cooperate with such receiver in managing and operating the entire properties of

of the Company in such manner as the Trustees shall deem for the best interests of the holders of the bonds hereby secured.

SECTION 9.20. No delay or omission of the Trustees or of any holder of bonds hereby secured to exercise any right or power arising from any default shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein, nor shall the action of the Trustees or of the bondholders in case of any default, or of any default and the subsequent waiver of such default, affect or impair the rights of the Trustees or of such holders in respect of any subsequent default on the part of the Company or impair any right resulting therefrom and every power and remedy given by this Article Nine to the Trustees or to the bondholders, respectively, may be exercised from time to time, and as often as may be deemed expedient by the Trustees or by the bondholders, respectively.

SECTION 9.21. The Trustees are hereby irrevocably appointed special agents and representatives of the holders of the bonds and vested with full power in their behalf to enforce this Indenture for their benefit as provided herein, and it is covenanted and agreed that in all actions, suits or proceedings, or dealings or transactions in any way affecting or relating to this Indenture or the premises covered by the lien of this Indenture or any part thereof or the title thereto, the Trustees shall be deemed the representatives of the bondholders, except as herein otherwise provided or as may be provided by law, and in no case shall it be necessary to notify any bondholders or to make any bondholder a party to any action, suit or proceeding for the purpose of binding or concluding him except as otherwise above provided and as otherwise may be provided by law.

Anything in this Indenture contained to the contrary notwithstanding, the holders of more than 75% in principal amount of the bonds hereby secured then outstanding shall have the right from time to time, if they so elect and manifest such election by an instrument or concurrent instruments in writing executed and delivered to the Trustees, to direct and control the method and place of conducting any and all proceedings for any sale of the mortgaged property or any adjournment thereof, or for the foreclosure of the lien of this Indenture, or for the appointment of a receiver or for any other action or proceeding hereunder, provided that such direction shall not be otherwise than in



accordance with the provisions of law and of this Indenture, but they shall have no right to involve the Trustees in any personal liability of any kind to anybody without first and from time to time indemnifying them to their satisfaction; provided, however, that the Trustees shall have the right to decline to follow any such direction which in their opinion would be unjustly prejudicial to the holders of bonds not parties to the direction.

SECTION 9.22. Anything in this Article Nine or elsewhere in this Indenture to the contrary notwithstanding, the Trustees shall, upon the written request of the holders of a majority in principal amount of the bonds hereby secured then outstanding (including, if more than one series of bonds be at the time outstanding, the holders of a majority in principal amount of the bonds of each such series), and on being furnished with the opinion of their counsel that it is proper for them so to do, waive any default hereunder and its consequences, except a default in the payment of the principal or of interest or premium, if any, on any of the bonds hereby secured or of any sinking fund payments, when and as the same shall become due and payable by the terms thereof or upon call for redemption. In case of any such waiver the Company, the Trustees and the holders of the bonds shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon. The Trustees shall not be responsible to any one for waiving or refraining from waiving any default in accordance herewith.

SECTION 9.23. In case more than one series of bonds shall be outstanding and an event of default shall exist in respect of the payment of the principal or premium, if any, or interest on the bonds of any one or more of such series and not in respect of the bonds of one or more other series, then whatever action in this Article Nine is provided may or shall be taken upon the existence of such an event of default by or upon the request of the holders of 25% of the principal amount of all bonds outstanding hereunder may be or shall be taken, in the absence of such request, by or upon the request of the holders of 25% of the principal amount of the outstanding bonds of such series with respect to which such event of default shall have occurred. The provisions of this Section shall not, however, be applicable to any request or direction provided for in Section 9.01 or Section 9.21.

SECTION 9.24. No holder of any bond hereby secured shall have the right to institute any suit, action or proceeding at law or in equity, or any special or other statutory proceeding, upon or in respect of this Indenture, or for the execution of any trust or power hereof, or for the appointment of a receiver, or for any other remedy under or upon this Indenture, unless

(a) such holder shall previously have given to the Trustees written notice of an event of default as defined in Section 9.01, and of the continuance thereof as hereinbefore provided; and

(b) the holders of at least 25% in principal amount of the bonds then outstanding after the right to exercise such powers, or right of action, as the case may be, shall have accrued, shall have made written request upon the Trustees and shall have afforded to them reasonable opportunity either to proceed themselves to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in their own names; and

(c) such holder or holders shall have offered to the Trustees security and indemnity satisfactory to them against the costs, expenses and liabilities to be incurred in or by reason of such action, suit or proceeding; and

(d) the Trustees shall have refused or neglected either to comply with such request within a reasonable time thereafter or to take other appropriate proceedings for the enforcement of this Indenture;

and such notification, request, offer of indemnity and refusal or neglect on the part of the Trustees are hereby declared, in every such case, at the option of the Trustees, to be conditions precedent to the execution of the trusts and powers of this Indenture, and to any action or cause of action for foreclosure or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of bonds shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Indenture by his or their action, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of such outstanding bonds.

Nothing in this Indenture contained shall, however, affect or impair the right of any bondholder, which is absolute and unconditional, to enforce the payment of the principal of and interest on his bond or

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bonds at and after the maturity thereof as therein expressed or upon call for redemption, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and interest on each of the bonds hereunder to the registered holders thereof at the time and place in said bonds expressed.

Anything to the contrary notwithstanding contained in this Section 9.24, the parties to this Indenture and the bondholders agree that the Company in its discretion require, in any suit for the enforcement of the right or remedy under this Indenture, or in any suit against the Trustees for any action taken or omitted by them or either of them as Trustees, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; and good faith of the provisions of this paragraph shall not apply to any suit instituted, directly or through an agent or agents, by the Trustees, or either of them, to any suit instituted by any bondholder, or group of bondholders, holding in the aggregate more than 10% in principal amount of the bonds outstanding or to any suit instituted by any bondholder for the enforcement of the payment of the principal of, interest on any bond or bonds at and after the maturity of such principal or interest as expressed therein.

Section 9.25. Except as herein expressly provided to the contrary, no remedy herein conferred upon or reserved to the Trustees or the holders of bonds hereby secured is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute; and the employment of any remedy hereunder, or otherwise, shall not prevent the concurrent employment of any other appropriate remedy or remedies.

Section 9.26. The Company may waive any period of grace provided for in this Article Nine.

Section 9.27. In case the Trustees shall have proceeded to enforce any right, power or remedy under this Indenture, by foreclosure or otherwise, and such proceeding shall have been discontinued or

abandoned because of any waiver as in this Article Nine provided, or for any other reason, or shall have been determined adversely to the Trustees, then and in each and every such case the Company and the Trustees shall be restored to their former positions and rights hereunder in respect of the mortgaged property, and all rights, powers and remedies of the Trustees shall continue as though no such proceedings had been taken.

SECTION 9.28. All rights of action under this Indenture may be enforced by the Trustees without the possession of any of the bonds, or the production thereof on the trial or other proceedings relative thereto.

SECTION 9.29. It is intended that the grants of the several classes and parcels of property contained herein shall each be construed and treated as a separate, distinct grant for the purpose of securing the bonds issued hereunder in the same manner as though each of said classes and parcels of property was mortgaged and transferred to the Trustees by a separate and distinct mortgage, so that if it should at any time appear or be held that this Indenture fails to transfer to the Trustees the title to said several and distinct classes and parcels of property, or any part thereof, as against creditors of the Company, other than the holders of the bonds or otherwise, such failure shall not operate to affect in any wise the transfer of the other classes and parcels of property or any part thereof; but nothing herein contained shall be construed as requiring the Trustees or the bondholders to resort to any particular property for the satisfaction of the indebtedness hereby secured in preference or priority to any other property hereby conveyed, but the Trustees may seek satisfaction out of all said property, or any part thereof, in their own absolute discretion.

SECTION 9.30. All rights, remedies and powers provided by this Indenture or any supplemental indenture may be exercised only to the extent that the exercise or enforcement thereof does not violate any applicable provision of law in the premises and all the provisions of this Indenture or any supplemental indenture are intended to be subject to all applicable mandatory provisions of law that may be controlling in the premises and to be limited to the extent necessary so that they will not render this Indenture or any supplemental indenture or the bonds invalid or unenforceable, or render this Indenture



or any supplemental indenture not entitled to be recorded or filed under the provisions of any applicable law in order to create or maintain the lien intended to be created thereby.

## ARTICLE TEN.

### CONCERNING THE TRUSTEES.

SECTION 10.01. The Trustees severally for themselves and their respective successors hereby accept the trusts established by this Indenture but only upon the terms and conditions hereof, including the following, all of which shall bind the Company and the holders of the bonds:

(a) It shall be no part of the duty of the Trustees to see to any recording, filing or registration of this Indenture or of any supplemental indenture or instrument of further assurance (and the Corporate Trustee may authenticate and deliver bonds and pay out deposited moneys without regard thereto) or to give any notice thereof or to effect or renew any insurance or to see to the collection or application of any insurance moneys or to inquire into or see that the properties of the Company are adequately or properly insured, or to see to the payment of or be under any duty in respect of any tax or assessment or other governmental charge which may be levied or assessed on the mortgaged property or any part thereof, or against the Company, or to see to the performance or observance of any of the covenants or agreements hereof on the part of the Company. The Trustees shall be under no obligation to see to the payment or discharge of any liens (other than the lien hereof, and then only to the extent herein provided) upon the mortgaged property, or to see to the payment of the principal or interest of any obligation secured thereby or to the delivery or transfer to it of any property released from any such lien, or to give notice to or make demand upon any mortgagor, mortgagee or other person for the delivery of any of such property.

(b) The Trustees shall not be required to take any action in respect of any default or event of default, or to take any action towards the execution or enforcement of the trust hereby created, or to institute, appear in or defend any action, suit or other proceeding in connection therewith, where in their opinion such action will be likely to involve them in expense or liability, unless requested so to do by an instrument in writing, signed by the holders of not less than 25% in principal amount of the

bonds then outstanding, and unless tendered security and indemnity satisfactory to them against any and all cost, expense and liability, anything herein contained to the contrary notwithstanding; but neither any such notice or request, nor this provision therefor, shall affect any discretion herein given to the Trustees or which they may otherwise have to determine whether or not they will take action without such request or indemnity.

(c) The Trustees shall not be required to recognize anyone as a holder of bonds issued hereunder unless and until the bonds claimed to be held are submitted to the Trustees for inspection or title thereto is otherwise established to their satisfaction.

(d) The Trustees shall not be compelled to do any act or to make any payment hereunder or in respect hereof unless put in funds for the purpose and indemnified to their satisfaction against any cost, liability or expense in connection therewith. Wherever any provision is made herein for the payment of moneys by the Trustees or either of them at any time, whether in respect of any sinking fund, the redemption of all or part of the bonds, the payment of the bonds, or otherwise, the Trustees or such Trustee shall in no event be liable to anyone beyond the amount of moneys deposited with them or it for any such purpose.

(e) All representations and recitals contained in this Indenture and in the bonds (save only the certificate of authentication of the Corporate Trustee upon the bonds and the recitals relating particularly to the Corporate Trustee and the Individual Trustee) are made by and on behalf of the Company, and the Trustees are in no way responsible therefor or for any statement therein contained or for any action or thing by them done, suffered or permitted by reason of any representation made by the Company or any of its officers or agents, and the Trustees make no representations as to the value of any property mentioned herein or as to the title thereto, and the Trustees do not purport to have any knowledge in respect thereof.

(f) The Trustees shall not be responsible for the execution, acknowledgment or validity hereof or of any instrument supplemental hereto, or of the bonds, or for the proper authorization thereof by corporate or public action, or for the sufficiency of the security purported to be created hereby, and make no representation in respect thereof or in respect of the rights of the holders of any of the bonds. The Trustees shall not be responsible for the validity, genuineness or execution of any stocks, bonds, obligations or contracts at any time pledged hereunder, and (except as in this Indenture otherwise expressly provided)

shall not be obliged as a condition precedent to the acceptance thereof to examine into or pass upon the same, and shall be entitled conclusively to assume that any certificate of stock or evidence of indebtedness tendered to them as representing such stocks, bonds or obligations are such pledged securities and what they purport to be, and that the same are genuine and valid and have been duly executed by the proper and duly authorized persons and that any endorsements or assignments thereof are genuine and legal; and the Trustees shall be under no obligation to accept a certificate for any share of stock, or to cause or permit a transfer thereof to be made to them, or to cause or permit to be made to them the transfer of any stock, bond, note or other obligation, if in the opinion of the Trustees such acceptance or transfer may involve them in or render them liable to be subjected to any liability or expense, unless indemnified to their satisfaction. The Trustees shall be under no obligation to give notice to any person of the making of this Indenture or of any supplemental indenture or instrument of further assurance, or to see to the application of the proceeds of the sale or disposition of any bonds at any time authenticated by the Corporate Trustees hereunder.

(g) The Trustees shall not be personally liable for any debt duly contracted by either of them, or for damages to persons or property injured, or for salaries or nonfulfillment of contracts, during any period wherein the Trustees shall manage the mortgaged property upon entry or voluntary surrender as provided in Article Nine hereof. The Trustees shall not be personally liable for any receiver's certificates or obligations issued by any receiver.

(h) The Trustees shall be protected in acting upon any notice, demand, waiver, request, consent, opinion, certificate, report, statement, list, letter, telegram, bond or other paper or document believed by them to be genuine and to have been signed, sent or presented by the proper party or parties.

(i) Whenever under the provisions of this Indenture the Trustees or either of them shall be required, or shall deem it necessary, to be informed as to any fact or facts or conditions, preparatory to taking or omitting to take any action under this Indenture, and no provision is contained in this Indenture for proving or evidencing to the Trustees such fact or facts or conditions, the existence of such fact or facts or conditions shall be deemed conclusively proved and evidenced to the Trustees when stated in an affidavit or certificate by the President or a Vice President and the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Company, and

delivered to the Corporate Trustee. Such affidavit or certificate shall be conclusive evidence to the Trustees of the existence or non-existence of the facts or conditions set forth therein and complete protection to the Trustees in taking or omitting to take such action, whether or not such facts or conditions shall have been misstated therein. The Trustees may rely upon the certificate of the Secretary or an Assistant Secretary of the Company under the corporate seal as to the adoption of any resolution by the Board of Directors or stockholders of the Company.

(j) Whenever under the provisions of this Indenture, the Trustees or either of them shall be required, or shall deem it necessary, to be furnished with evidence of a determination, direction, request, opinion, designation, selection or authorization of the Company, or with evidence of the exercise by the Company of an option, preparatory to taking or omitting to take any action under this Indenture, and no provision is contained in this Indenture for evidencing such matter to the Trustees, the same shall be deemed conclusively evidenced to the Trustees when stated in a written instrument executed in the name of the Company by the President or a Vice President and the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Company, and delivered to the Corporate Trustee. Such instrument shall be conclusive evidence to the Trustees of the matter or matters set forth therein and complete protection to the Trustees in taking or omitting to take such action, whether or not the facts as to any such determination, direction, request, opinion, designation, selection, authorization or exercise of an option shall have been misstated therein.

(k) Wherever in this Indenture it is provided that, before authenticating and delivering any bonds, or releasing or applying any cash on deposit with the Trustees or either of them, or releasing any property from the lien of this Indenture, or taking or permitting any other action contemplated by any provision of this Indenture, there shall be delivered to the Trustees any resolution, statement, certificate, affidavit, opinion or other instrument, or that the Trustees shall authenticate and deliver bonds, release or apply cash, release property or take or permit any other action only upon the delivery to it of any resolution, statement, certificate, affidavit, opinion or other instrument, the Trustees and either of them may accept the statements contained in any such resolution, statement, certificate, affidavit, opinion or other instrument as conclusive and sufficient evidence of any fact or matter of opinion or otherwise pertinent to the right of the Trustees to authenticate and deliver such bonds, release



or apply such cash, release such property or take or permit such other action, and shall not be liable for any action taken or permitted by them or either of them on the faith thereof; nor shall they be under any duty to make any investigation in respect thereof. The Trustees may, however, make such investigation of the truth and accuracy of the statements made in any such resolution, statement, certificate, affidavit, opinion or other instrument as to them or either of them may seem proper and unless satisfied as to the truth and accuracy of such statements they shall be under no obligation to take or permit the action requested. The Trustees shall be required to make such investigation when requested so to do by an instrument in writing signed by the holders of not less than a majority in principal amount of the bonds then outstanding and tendered security and indemnity satisfactory to them against any and all costs, expenses and liability in connection therewith. The Trustees shall be under no duty to check or verify any financial or other statements or reports furnished to them pursuant to any provision hereof or any certificates or affidavits furnished in connection with any request for the authentication of bonds or the payment of deposited cash, or to check, verify or compare any of such reports with any other of such statements or reports previously or subsequently furnished to them, and shall be under no other duty in respect of the same, except to file the same, and permit the inspection of the same at reasonable times by any bondholder.

(l) The Trustees shall not be concerned with or accountable to anyone for the use or application of any deposited cash which shall be released or withdrawn in accordance with the provisions of this Indenture or of any property or securities or the proceeds thereof which shall be released from the lien hereof in accordance with the provisions of this Indenture.

(m) The Trustees may exercise their powers and perform their duties by or through, and may select and employ in and about the execution of the trusts hereby created, attorneys, appraisers, engineers, geologists, accountants, agents and other employees, whose reasonable compensation shall be deemed part of the expenses of the Trustees and shall be paid by the Company upon demand. The Trustees shall not be answerable for the act, default or misconduct of any attorney, appraiser, engineer, geologist, accountant, agent or other person employed by them in pursuance hereof, if selected with reasonable care; nor shall the Trustees be liable for any action whatever by either of them hereunder, except that each of the Trustees shall be liable for its or his own wilful misconduct or gross negligence.

(n) The Trustees may consult with counsel and the opinion of counsel shall be full protection and justification to the Trustees for anything done or omitted or suffered to be done by them in accordance with such opinion and not contrary to any express provision hereof.

(o) The Trustees may acquire and hold bonds issued hereunder, or may engage in or be interested in any financial or other transaction with the Company or any corporation in which the Company may be interested, and the Corporate Trustee may act as depository, trustee, transfer agent, registrar or agent for the Company or for any committee or other body in respect of any bonds, notes, or other securities, whether or not issued pursuant hereto.

(p) Any moneys at any time received or held by or to the credit of either of the Trustees under any of the provisions of this Indenture or for the payment of the bonds upon redemption or otherwise, whether trust funds or not, may be held by the Corporate Trustee without any liability for interest save such as the Corporate Trustee may agree upon with the Company, such interest (unless there shall have happened and be continuing an event of default as defined in Section 9.01) to be paid periodically by the Corporate Trustee to the Company. At any time, however (unless there shall have happened and be continuing an event of default as defined in Section 9.01), upon application of the Company, the Corporate Trustee shall invest any cash so held (other than moneys deposited for the payment of principal of or interest on the bonds after such principal and interest shall have become payable and other than moneys set aside for the redemption of bonds) in securities of the United States Government designated in such request or in other securities which are legal investments for savings banks in the State of New York and which are designated in such request and not disapproved by the Corporate Trustee, the income from any such securities (unless there shall have happened and be continuing an event of default as defined in Section 9.01) to be paid to the Company as and when received by the Corporate Trustee, and at any time upon application of the Company the Corporate Trustee shall, on any such securities, provided, however, that any loss which may be sustained when such securities are sold shall be immediately upon request of the Corporate Trustee be paid over to the Corporate Trustee by the Company, and provided also that any gain on the sale of any securities so purchased or otherwise received by the Corporate Trustee (unless there shall have happened and be continuing an event of default as defined in Section 9.01) shall immediately be paid over by the Cor-

porate Trustee of the Company, and provided that all expenses in connection with making any or selling such investments shall immediately upon request of the Corporate Trustee be paid over to the Corporate Trustee by the Company. The Corporate Trustee may in its discretion (but shall not be under any duty to) sell any such securities without request of the Company if it shall deem such action necessary for the protection of the trust estate or in order to enable it to make any payment required to be made by it in accordance with the provisions hereof; and the Company shall be liable for any loss and entitled to any gain resulting therefrom as above provided. The Trustees shall not be responsible to the Company or to any holders of bonds for any depreciation in the value of any such securities or for any loss arising therefrom. If the Corporate Trustee has knowledge of the existence of any event of default or that any default has been made in the payment of interest on any of the bonds, any moneys held by it and subject to payment, repayment or reversion to the Company need not be so paid or repaid, but may be held by the Corporate Trustee as part of the trust estate until such default or event of default has been remedied or waived pursuant to any of the provisions of Article Nine.

(g) In accepting the assignment and transfer to them of the mortgaged property, whether property, franchises, rights, securities, leases, contracts, licenses, permits, or whatever it may be, and whether under this Indenture or some indenture supplemental hereto, the Trustees act solely as trustees hereunder and not in their individual capacities, and all persons, other than the Company and the holders of bonds secured hereby, having any claim against the Trustees arising by reason of such assignment or transfer, shall look only to the mortgaged property for payment or satisfaction thereof.

(r) In any controversy that may arise between the Company and the United States, or any state, county or municipal authority, as to the legality or regularity of any tax, levy or impost that may be assessed upon the mortgaged property, or upon the bonds hereby secured, the Trustees shall have full power and authority, on behalf of the bondholders, or any one or more of them, upon election by them so to do, to intervene in any such proceedings or controversy, and to institute and maintain any litigation, either at law or in equity, in the appropriate jurisdiction, in respect of the same, but there shall be no duty imposed hereby upon the Trustees to take such action in this behalf unless and until they shall have been requested in writing so to do by the holders of not less than 10% in principal amount of the bonds then outstanding hereunder and indemnity satisfactory to them for all costs and expenses to be incurred in and about said litigation shall have been furnished or tendered to the Trustees, and any expense so incurred shall be a charge against the bondholders requesting such action.

(s) The Trustees shall not be required to take notice or be deemed to have notice or knowledge of any default or event of default (except default in the payment of moneys to the Corporate Trustee which the Company is required to pay to the Corporate Trustee on or before a specified date or within a specified time after receipt by the Corporate Trustee of a certificate or application of the Company which was in fact received) unless the Corporate Trustee shall receive from the Company or the holder of at least one bond then outstanding of any series a written notice stating that such person believes that a default or event of default hereunder has occurred and specifying the same or shall have actual knowledge of any default or event of default through any of the following officers of the Corporate Trustee, namely, the Chairman of the Board, the President, any Executive Vice President and any Vice President, Senior Trust Officer or Trust Officer in the Corporate Trust Department of the Corporate Trust and any other officer of the Corporate Trustee having duties and responsibilities substantially the same as the duties and responsibilities as of the date of this Indenture of any of the foregoing officers of the Corporate Trustee, and in the absence of such notice or knowledge the Trustees may conclusively assume that there is no default or event of default except as aforesaid.

SECTION 10.02. The Trustees shall be entitled to reasonable compensation for all services rendered by them in the execution of the trusts hereby created, and the Company agrees from time to time to pay such compensation (which shall not be limited by any provision of law with regard to compensation of fiduciaries or of a trustee of an express trust) and to reimburse the Trustees and save them harmless against any and all liability and expenses, including counsel fees, which they may at any time incur hereunder; and the charges and expenses of the Trustees and of their counsel and all liability by them so incurred (together with interest thereon) shall be secured by the lien of this Indenture upon any money or property at any time subject hereto, prior to the bonds issued hereunder, and, if the Company shall fail, refuse, neglect or delay to pay the same promptly, payment thereof may be made from and out of any funds in the hands of the Trustees applicable thereto and/or from an out of the mortgaged property prior to any payment therefrom to or upon the order of the Company or to or on account of any of the bonds.

SECTION 10.03. The Trustees or either of them or any successor or successors hereunder may at any time resign and be discharged of the trusts created by this Indenture by executing an instrument in writing resigning such trusts, specifying the date when such resignation shall take effect, and filing the same with the Company; and, in the case of the Corporate Trustee, such instrument shall be so filed at least thirty days before such resignation is to take effect and notice



of such intention to resign shall be published once in each of three successive calendar weeks in a daily newspaper printed in the English language and customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York. Such resignation shall take effect on the day specified in such instrument, unless previously a successor trustee or trustees shall be appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee or trustees.

Section 10.04. The Trustees or either of them or any successor or successors hereunder may, subject to their rights to compensation, reimbursement and indemnification herein provided, be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than 75% in principal amount of the bonds then outstanding and filed with the Trustees, and at any time prior to the authentication and delivery of any bonds or, if at any time all the bonds previously authenticated and delivered shall have been surrendered to the Trustees and no bonds shall be outstanding hereunder, any trustee hereunder, original or successor, may be removed by an instrument in writing executed by the Company and filed in like manner, and in such last mentioned case the Company by an instrument in writing executed by order of its Board of Directors may appoint a successor to the trustee so removed. The Individual Trustee, or any successor hereunder, may at any time be removed by the Corporate Trustee in office by an instrument in writing, duly executed by its President or one of its Vice Presidents, under its corporate seal.

Section 10.05. In case of the dissolution of the Corporate Trustee, or the death of the Individual Trustee, or the resignation, incapacity or removal as trustee hereunder of either of the Trustees, or if a receiver of either of the Trustees be appointed or if its or his property or affairs be taken over by any public officer or officers, then and in that event a successor may be appointed by the holders of not less than a majority in principal amount of the bonds hereby secured and then outstanding by an instrument or concurrent instruments signed by said holders, notification thereof being given to the Company and to the predecessor trustee (except in case of dissolution or death), and to the other of the Trustees (if any) at the time in office; but, until a new trustee shall be appointed by the bondholders as herein

authorized, the Company may, by proper instrument in writing, executed by order of its Board of Directors, appoint a successor trustee to fill any vacancy caused as aforesaid in the office of Corporate Trustee hereunder; and the Corporate Trustees at any time in office may, by a proper instrument in writing, executed by its President or one of its Vice Presidents under its corporate seal, appoint a successor trustee to fill any vacancy caused as aforesaid in the office of Individual Trustee hereunder. During any vacancy in the office of Individual Trustee, all of the powers of the Trustees shall be vested in and may be exercised by the Corporate Trustees.

SECTION 10.06. Any successor Corporate Trustee appointed under any of the provisions of this Article shall always be a trust company, national, state or other bank or banking institution organized under the laws of the United States or any state thereof, having an office in the Borough of Manhattan, City and State of New York, and having a capital and surplus aggregating at least \$50,000,000, if there shall be such a trust company, bank or banking institution willing and legally qualified to accept the trust upon reasonable or customary terms. Each successor Individual Trustee hereunder shall be a citizen and resident of the United States of America.

SECTION 10.07. Upon each appointment of a successor Corporate Trustee by the Company, it shall cause notice of such appointment to be mailed by such successor Corporate Trustee, first class, postage prepaid, to each person who appears on the bond register to be a holder of the bonds then outstanding at the address of such holder as the same appears on said bond register, but any successor Corporate Trustee so appointed by the Company shall, immediately, and without further act, be superseded by a Corporate Trustee appointed (within one year after the mailing of such notice) in the manner above provided by the holders of a majority in principal amount of the bonds hereby secured and then outstanding.

SECTION 10.08. If in a proper case no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Article Ten at the time the resignation or removal of any trustee hereunder shall have taken effect or within thirty days after any trustee hereunder shall have become incapable of acting, any holder of bonds

or the retiring trustee may apply to any court (state or Federal), having jurisdiction, to appoint a successor trustee and such court may, if it deems proper, appoint a successor trustee.

SECTION 10.09. Any company into which the Corporate Trustee while acting as such hereunder may be merged or converted, or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which the Corporate Trustee shall be a party, provided such company shall be a trust company, national, state or other bank or banking institution organized under the laws of the United States or any State thereof, authorized by law to act as corporate trustee hereunder, having an office in the Borough of Manhattan, City and State of New York, and having a capital and surplus aggregating at least \$50,000,000, shall be the successor Corporate Trustee under this Indenture.

SECTION 10.10. Every successor trustee shall execute, acknowledge and deliver to the Company an instrument in writing accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Company or the successor trustee, execute and deliver an instrument transferring to such successor trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor trustee shall deliver all property and moneys held by it to its successor. Should any deed, conveyance or instrument in writing from the Company be required by any successor trustee for more fully and certainly vesting in such trustee the estates, rights, powers and trusts hereby vested or intended to be vested in the predecessor trustee, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Company. The resignation of any trustee, and the instrument or instruments removing any trustee and appointing a successor trustee hereunder, together with all deeds, conveyances and other instruments provided for in this Section 10.10, may (and, if the Company so requests, shall) be forthwith filed for record in each place where this Indenture shall then be required to be recorded, at the expense of the Company, unless such instruments, deeds, convey-

ances and other instruments are required to be recorded to reflect the participation of the Corporate Trustee in any merger, conversion or consolidation, in which case such expense shall be borne by the Corporate Trustee.

SECTION 10.11. In case any of the bonds contemplated to be issued hereunder shall have been authenticated but not delivered, any successor to the Corporate Trustee may adopt the certificate of the original Corporate Trustee or of any successor to it as Corporate Trustee hereunder and deliver the bonds so authenticated, and in case any of the bonds shall not have been authenticated, any successor to the Corporate Trustee may authenticate such bonds either in its own name, or, if it shall be acting as such successor by virtue of a conversion, merger or consolidation, in the name of its predecessor; and in all such cases, such certificate shall have the full force which it is anywhere in the bonds or in this Indenture provided that the certificate of the Corporate Trustee shall have.

SECTION 10.12. Francis J. Farrell, one of the parties of the second part, has been joined as Individual Trustee hereunder, so that if, by any present or future law in any jurisdiction in which it may be necessary to perform any act in the execution of the trusts hereby created, said Chemical Bank, as Corporate Trustee, or its successor or successors, may be incompetent or unqualified to act as such Trustee, then all the acts required to be performed in such jurisdiction, in the execution of the trusts hereby created, shall and will be performed by said Individual Trustee, or his successor or successors, acting alone. Except as it may be deemed necessary for the Individual Trustee solely or jointly with the Corporate Trustee to execute the trusts hereby created, the Corporate Trustee may solely have and exercise the powers, and shall be solely charged with the performance of the duties herein declared on the part of the Trustees, or either of them, to be had and exercised or to be performed.

SECTION 10.13. No provision of this Indenture or of any supplemental indenture shall be deemed to impose any duty or obligation on the Corporate Trustee to perform any act or acts or exercise any right, power, duty or obligation conferred or imposed on it, in any jurisdiction in which it shall be illegal, or in which such Corporate Trustee shall be unqualified or incompetent, to perform any such act



or acts or to exercise any such right, power, duty or obligation or if such performance or exercise would constitute doing business by such Corporate Trustee in such jurisdiction. Francis J. Farrell, the Individual Trustee, to the extent that he may lawfully so delegate and that the Corporate Trustee is permitted by law to exercise the power so delegated, and to the extent that such delegation does not impair the right, title and interest of the Individual Trustee or the validity of the lien of this Indenture, (a) may delegate to the Corporate Trustee the exercise of any power, discretionary or otherwise, conferred by the provisions of this Indenture, and (b) hereby makes, constitutes and appoints Chemical Bank, the Corporate Trustee, his true and lawful attorney for him and in his name, or in the name of the Corporate Trustee, to do and perform all acts necessary or proper in the execution and prosecution of the duties of the Trustee hereunder in a full and ample manner as he might do personally.

SECTION 10.14. If at any time it shall be desirable in the opinion of the Company or the Corporate Trustee to have an additional trustee or trustees as co-trustee or co-trustees hereunder, either individual or corporate, or if the holders of at least a majority in principal amount of the bonds then outstanding shall in writing so request, the Corporate Trustee shall, subject to the approval of the Company, which approval the Company shall not unreasonably withhold, select such co-trustee or co-trustees, and the Trustee and the Company shall unite in appointing such co-trustee or co-trustees of all or any of the property or cash (if any) at the time subject hereto, jointly with the Trustee originally named herein, or their successor or successors, or to act as a separate trustee or trustees hereunder or of any of such property or cash, and in either case with such of the rights, powers, duties and obligations hereby conferred or imposed upon the Trustee or either of them as shall be stated in such instrument of appointment, the same to be exercised either jointly with the Trustee or separately as such instrument may prescribe, and the Company hereby irrevocably appoints the Corporate Trustee its agent, without any further act by the Company, at any time during the continuance of an event of default to select and appoint any such additional trustee or co-trustee and to execute, deliver and perform any and all instruments and agreements necessary or proper in connection therewith. Upon such appointment and upon the recording of the instrument of appointment wherever this Indenture is required by law to be

recorded, the title of the Trustees in any or all of the mortgaged property shall immediately, and without further evidence of transfer, vest in such co-trustee or co-trustees either jointly with the Trustees or separately according to the terms of such appointment, but the Trustees and/or the Company shall nevertheless execute, acknowledge and deliver to such co-trustee or co-trustees such conveyances and transfers as may be proper to vest or confirm said mortgaged property in the co-trustee or co-trustees. Any co-trustee may resign or be removed in the same manner provided as to the original Trustees, or he or it may be removed by the then Corporate Trustee hereunder; and any vacancy in the office of co-trustee may be filled in the manner above provided for the appointment of the original co-trustee or co-trustees, or, if it is not then desirable to fill the vacancy, the vacancy need not be filled. All the immunities provided by this Indenture in respect of the Trustees shall apply to each and every co-trustee, and neither of the Trustees nor any co-trustee shall be liable for any default or act of omission or commission of any other of the Trustees or co-trustees.

SECTION 10.15. If a co-trustee, individual or corporate, be appointed, then to the extent permitted by law, the powers and duties conferred upon the Trustees hereunder shall nevertheless be exercised and performed by the Trustees alone, even after the maturity of the bonds or after the Trustees shall under the provisions hereof have become entitled to enter upon the mortgaged property; but the co-trustee shall upon appointment receive and hold title to the mortgaged property jointly or separately as provided in Section 10.14 with the Trustees, and in case the Trustees shall by reason of the law of any jurisdiction in which the Trustees may be required to act under the terms of this Indenture be unqualified, unauthorized, unable or incompetent to exercise any of the powers granted to the Trustees by this Indenture or to perform any of the duties imposed upon the Trustees hereby or shall decline to exercise any such power or perform any such duty, then and in such case, upon the request in writing of the Trustees (which shall be sufficient warrant for the co-trustee to take the action therein requested), the co-trustee shall have and may exercise any such power in the place of the Trustees, and shall be authorized to perform any such duty in that jurisdiction, and shall be deemed to be possessed of such rights and powers as may be necessary to the effectual operation of the trusts herein set forth. The co-trustee may nevertheless delegate to the Trustees in so far as permitted by law, and may exer-

cise every right and perform every duty hereinbefore required to be exercised or performed by him or it, through the Trustees as his or its agents, unless the Trustees are not permitted by law so to act, and may adopt, ratify and confirm any act done by the Trustees, and until the co-trustee is requested in writing by the Trustees to act as above provided, every act of the Trustees shall be deemed to have been performed as the agent of the co-trustee in so far as necessary to the effectual operation of this Indenture. The Trustees shall be under no duty to request the co-trustee to act as above provided unless they shall have declined to act themselves or shall have received an opinion of counsel to the effect that they are unqualified, unauthorized, unable or incompetent to act in any given instance, and the Trustees shall be under no liability for failure to make such request prior to so declining or to receiving such opinion of counsel. The co-trustee shall in no event be responsible or liable personally for any act of the Trustees performed as agents, attorneys or otherwise, and may conclusively assume that he or it is permitted by law to delegate his or its powers and duties hereunder to the Trustees and to exercise and perform his or its powers and duties hereunder through the Trustees as his or its agents, unless and until he or it is otherwise advised in writing by counsel.

SECTION 10.16. No bond or other security shall be required either of the Trustees or any successor trustee or co-trustee unless ordered by a court having jurisdiction and for cause shown.

#### ARTICLE ELEVEN.

##### MODIFICATIONS OF INDENTURE WITH CONSENT OF BONDHOLDERS.

SECTION 11.01. Modifications or alterations of this Indenture and/or of any indenture supplemental hereto and/or of the rights and obligations of the Company and/or of the holders of bonds issued hereunder may be made by a supplemental indenture at any time or from time to time when authorized by the Board of Directors of the Company by resolution duly adopted and when consented to in writing and/or when authorized by vote, at a meeting held in accordance with the provisions of Article Eleven A, by the holders of not less than two-thirds in principal amount of the bonds at the time outstanding hereunder, including in case one or more but less than all of the series

of bonds then outstanding are affected by such modification or alteration, not less than two-thirds in principal amount of each series then outstanding and affected thereby; provided, however, that no such modification or alteration shall, without the written approval or consent of the affirmative vote of the holder of any bond issued hereunder affected thereby, (a) extend the maturity of such bond or reduce the rate or extend the time of payment of interest thereon or reduce the amount of the principal thereof or reduce any premium payable on the redemption thereof or change the date or the amount of any sinking fund payment required to be made in respect of such bond, (b) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of this Indenture, (c) authorize issuance of additional bonds under this Indenture, or (d) reduce the percentage of the principal amount of the bonds upon the approval or consent of the holders of which modifications or alterations may be made as aforesaid.

Any such modifications or alterations shall be evidenced by a supplemental indenture executed pursuant to the provisions of Article Twelve hereof.

Any written approvals or consents of bondholders to any such modification or alteration shall be evidenced by an instrument or instruments in form approved by the Corporate Trustee, signed by such holders or by their duly authorized attorneys and filed with the Corporate Trustee. The record of any meeting of bondholders held to act upon any such modification or alteration shall be proved in the manner provided in Section 11A.08 hereof. It shall not be necessary that the written approvals or consents of bondholders or the resolution adopted at any meeting of bondholders approve or authorize the particular form of any proposed supplemental indenture, but it shall be sufficient that the same approve or authorize the substance of the modification or alteration or modifications or alterations to be effected by such supplemental indenture.

SECTION 11.02. Promptly after the execution by the Company and the Trustees of any supplemental indenture pursuant to the provisions of this Article Eleven, the Company shall mail a notice, setting forth briefly in general terms the substance of such supplemental indenture, first class, postage prepaid, and registered if the Company so elects, to each holder of bonds at his address as listed upon the bona register.



SECTION 11.03. Upon the execution of any supplemental indenture authorized pursuant to the provisions of this Article Eleven, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligations under this Indenture of the Company, the Trustees and all holders of bonds outstanding thereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

#### ARTICLE ELEVEN A.

##### CONCERNING THE BONDHOLDERS AND MEETINGS THEREOF.

SECTION 11A.01. Whenever in this Indenture it is provided that the holders of a majority or a specified percentage of the aggregate principal amount of the bonds outstanding hereunder or of any one or more series of such bonds may take any action hereunder (including the making of any demand or request or the giving of any notice or consent or waiver), the fact that the holders of such majority or specified percentage joined in approving or consenting to or authorizing such action may be evidenced (a) by any instrument or any number of concurrent instruments of similar tenor executed by such bondholders in person or by agent or attorney appointed in writing, or (b) by the record of the holders of bonds (or persons entitled to vote the same as hereinafter in this Article Eleven A. provided) voting in favor of authorizing or approving such action at any meeting of the bondholders called and held in accordance with the provisions of this Article Eleven A, or (c) by a combination of such instrument or instruments and the record of any such meeting of bondholders held within one year prior to the time any such action is taken.

SECTION 11A.02. Proof of the execution of any instrument of the character referred to in Section 11A.01 hereof by any bondholder or by his agent or attorney, or of an instrument appointing any such agent or attorney, and of the holding or ownership by any person of bonds, shall be sufficient for all purposes of this Indenture (except as herein otherwise expressly provided) and shall be conclusive in favor of the Trustees and the Company with respect to any action taken or omitted

by the Trustees, or either of them, or by the Company pursuant to and in reliance upon such instrument, if made in the following manner:

(a) The fact and the date of the execution by any person of any such instrument may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the place where such acknowledgment is taken to the effect that the person signing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution; and

(b) The ownership of bonds shall be proved by the registry books or by a certificate of the registrar maintaining such books.

Any approval, consent, waiver, request, demand, notice or other instrument executed by the holder of any bond or bonds or by the agent or attorney of such holder in accordance with the provisions of this Section shall bind all future holders of the same bond or bonds and of any other bond or bonds issued in substitution or exchange therefor in respect of anything done or omitted to be done by the Trustees or the Company pursuant thereto.

The record of the action taken at any meeting of bondholders held to act upon any matter referred to in Section 11A.03 hereof shall be proved in the manner provided in Section 11A.08 hereof.

SECTION 11A.03. A meeting of the holders of all bonds at the time outstanding hereunder, or of the holders of one or more series of such bonds, may be called at any time or times pursuant to the further provisions of this Article Eleven and for any one or more of the following purposes:

(a) to give any notice to the Company or to the Trustees or either of them, or to make any request or demand of or to give any directions to the Trustees or either of them, or to consent to the waiving of any default hereunder and its consequences, or to take any other action authorized or permitted to be taken by bondholders pursuant to Article Nine hereof; or

(b) to approve or consent to or authorize modifications or alterations of this Indenture or of any indenture or indentures supplemental hereto, pursuant to the provisions of Article Eleven hereof; or

(c) to take any other action of any character authorized or permitted to be taken by or on behalf of the holders of any

specified aggregate principal amount of the bonds outstanding hereunder, or of any one or more series of such bonds, pursuant to any other provision of this Indenture or of any indenture or indentures supplement hereto.

SECTION 11A.04. The Corporate Trustee may at any time call a meeting of the holders of the bonds outstanding hereunder, or of any one or more series of such bonds, to take action upon any matter specified in Section 11A.03 hereof, which meeting shall be called to be held at such time and at such place in the Borough of Manhattan, City and State of New York, as the Corporate Trustee shall determine. Notice of each such meeting of bondholders, setting forth the time and place of such meeting and in general terms the action proposed to be taken thereat, shall be mailed by the Corporate Trustee, first class, postage prepaid, not less than twenty nor more than ninety days prior to the date fixed for such meeting, to each person who appears on the bond register to be a holder of such bonds at the address of such holder as the same appears on such bond register.

SECTION 11A.05. In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of 25% or more in aggregate principal amount of the bonds then outstanding, shall have requested the Corporate Trustee to call a meeting of the bondholders, by written request setting forth in reasonable detail the matter or matters proposed to be acted upon at such meeting, and the Corporate Trustee shall not have mailed the notice of such meeting within twenty days after the delivery to it of such request, then the Company or the holders of bonds in the amount above specified may determine the time and the place in said Borough of Manhattan for such meeting and may call such meeting to take action upon the matter or matters specified in such request, by mailing notice thereof as provided in Section 11A.04.

SECTION 11A.06. To be entitled to vote at any meeting of bondholders a person shall be (1) a holder of bonds, or (2) a person appointed by an instrument in writing as attorney or proxy for the holder or holders of one or more bonds. The only persons who shall be entitled to be present or to speak at any meeting of bondholders shall be the persons entitled to vote at such meeting as aforesaid and their counsel and any representatives of the Trustees and their counsel and any representatives of the Company and its counsel.

SECTION 11A.07. Notwithstanding any other provisions of this Indenture, the Corporate Trustee may make such reasonable regulations as it may deem advisable for any meeting of bondholders, with respect to proof of the holding of bonds and of the appointment of attorneys or proxies, and with respect to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidences of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit. Except as otherwise permitted or required by any such regulations, the holding of bonds shall be proved in the manner specified in Section 11A.02 and the appointment of any attorney or proxy shall be proved in the manner specified in said Section 11A.02 or by having the signature of the person executing the proxy witnessed or guaranteed by any bank, banker or trust company satisfactory to the Trustee.

The Corporate Trustee shall, by an instrument in writing, appoint a temporary chairman and a temporary secretary of the meeting, unless the meeting shall have been called by the Company or by holders of bonds as provided in Section 11A.05, in which event the Company or the bondholders calling the meeting, as the case may be, shall in like manner appoint a temporary chairman and a temporary secretary. A permanent chairman and a permanent secretary of the meeting shall be elected from those present by the bondholders or holders of proxies entitled to vote more than 50% in principal amount of the bonds represented at the meeting.

Subject to the provisions of Section 1.04, at any meeting each bondholder or his attorney or proxy shall be entitled to one vote for each one thousand dollars principal amount of bonds held by such bondholder, provided, however, that no vote shall be cast or counted at any meeting in respect of any bond challenged as not outstanding and ruled by the chairman of the meeting to be not outstanding. The chairman of the meeting shall have no right to vote other than by virtue of bonds held by him or instruments in writing as aforesaid duly designating him as the person to vote on behalf of other bondholders. Any meeting of bondholders duly called pursuant to the provisions of Section 11A.04 or Section 11A.05 may be adjourned from time to time, and the meeting may be held as so adjourned without further notice.

SECTION 11A.08. The vote upon any resolution submitted and acted upon at any meeting of bondholders shall be by written ballots,



on each of which shall be subscribed the signature of the bondholder or certificate holder or attorney or proxy casting such ballot and the serial number or numbers of the bond or bonds held or represented in respect of which such ballot is cast. The Corporate Trustee, or in default of action by such Trustee the permanent chairman of the meeting, shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any such resolution and who shall make and file with the permanent secretary of the meeting their verified written reports in duplicate as to all votes cast at the meeting. A record in duplicate of the proceedings of each such meeting of bondholders shall be prepared by the permanent secretary of such meeting and there shall be attached to the counterparts of such record the original reports of the inspectors of votes as to any vote by ballot taken thereat, as well as an affidavit or affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was mailed as provided in Section 11A.04 or Section 11A.05, as the case may be. The record shall show the serial number of each bond voted in favor of or against any resolution. Each counterpart of such record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting, and one of the counterparts shall be delivered to the Company and the other to the Corporate Trustee to be preserved by the Corporate Trustee.

Any counterpart record so signed and verified shall be conclusive evidence as to the matters therein stated and shall be the record referred to in subdivision (b) of Section 11A.01.

## ARTICLE TWELVE.

### CONCERNING SUPPLEMENTS TO THIS INDENTURE.

SECTION 12.01. The Company may execute and file with the Trustees and the Trustess at the request of the Company may join in indentures supplemental hereto and which thereafter shall form a part hereof, for any one or more of the following purposes, in addition to any of the purposes hereinbefore specifically provided for:

(a) to add to the covenants and agreements of the Company such further covenants or agreements as the Board of Directors of the Company shall consider to be for the protection of the mortgaged property and of the holders of the bonds hereby so

cured, although the freedom of action of the Company may be materially restricted thereby;

(b) to subject to the lien of this Indenture or to perfect the lien thereof upon any properties of any character, or to correct or amplify the description of any properties at any time subject to the lien of this Indenture;

(c) to make such provisions in regard to matters or questions arising under this Indenture as may be necessary or desirable and not inconsistent with this Indenture;

(d) to evidence any of the additions, changes, eliminations or modifications authorized by the consent of the bondholders pursuant to the provisions of Article Eleven; provided that the Trustees may in their uncontrolled discretion decline to enter into any such supplemental indenture which in their opinion may not afford adequate protection to the Trustees when the same shall become operative;

(e) to modify or supplement this Indenture in such manner as may be necessary or appropriate to qualify this Indenture under the Trust Indenture Act of 1939, as amended, or under any similar federal statute hereafter enacted, including provisions whereby the Trustees accept such powers, duties, conditions and restrictions hereunder and the Company undertakes such covenants, conditions or restrictions additional to those contained in this Indenture as would be necessary or appropriate so to qualify this Indenture; and/or

(f) for any other purpose not inconsistent with the terms of this Indenture and which shall not impair the security of the same, or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective or inconsistent provision contained herein.

Any supplemental indenture authorized by the provisions of this Section, except a supplemental indenture for the purposes mentioned in subdivision (d) above, may be executed by the Company and the Trustees without the consent of the holders of any of the bonds at the time outstanding.

SECTION 12.02. For the purposes of this Indenture, any such supplemental indenture shall be construed in connection with and as part of this Indenture and the covenants thereof shall be deemed, as to the subject matter of such covenants, to be covenants of this Indenture. Nothing in this Article contained shall affect or limit the right or

obligation of the Company or any successor corporation to execute and deliver to the Trustees any instrument of further assurance or other instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustees.

SECTION 12.03. The Trustees are authorized to join with the Company in the execution of any supplemental indenture for any of the purposes mentioned in Section 12.01, and may receive an opinion of counsel as conclusive evidence that any supplemental indenture executed pursuant to the provisions of this Article Twelve complies with the requirements of this Article Twelve.

SECTION 12.04. An executed counterpart of every such supplemental indenture shall be deposited with the Trustees.

### ARTICLE THIRTEEN.

#### CONCERNING CONSOLIDATION, MERGER AND SALE.

SECTION 13.01. Subject to the provisions of Section 6.08(a), nothing in this Indenture or any of the bonds contained shall prevent any merger or consolidation of any other corporation or corporations into or with the Company, or any merger or consolidation of the Company (either singly or with one or more other corporations) into or with, or any sale, conveyance, transfer or lease, subject to the continuing lien of this Indenture and to all the provisions hereof, of all the mortgaged property as, or substantially as, an entirety to, any corporation then existing under and by virtue of the laws of any state or states or of the United States and lawfully entitled to acquire or lease and operate the same, or prevent successive similar consolidations, mergers, sales, conveyances, transfers or leases to which the Company or its successors or assigns or any subsequent successors or assigns shall be a party; provided, however, and the Company covenants and agrees, that such consolidation, merger, sale, conveyance, transfer or lease shall be upon such terms as in no respect to impair the lien and security of this Indenture or any of the rights or powers of the Trustees or the bondholders hereunder; and provided, further, that any such lease shall contain a provision that, if an event of default

as defined in Section 9.01 shall have happened and be continuing when such lease is made, or shall happen while it is in effect, such lease may be immediately terminated, at any time while such event of default continues, by the Trustees or by the purchaser of the property so leased at any sale hereunder, whether such sale be made under the power of sale hereby conferred or under judicial proceedings.

SECTION 13.02. In case the Company, pursuant to the provisions of Section 13.01, shall be merged or consolidated (either singly or with one or more other corporations) into or with any other corporation, or shall convey or transfer to another corporation, subject to the lien of this Indenture, all the mortgaged property as, or substantially as, an entirety (but not in case of any lease and not in case any other corporation or corporations shall be merged or consolidated into or with the Company under such circumstances that the corporate identity of the Company is not changed), the corporation resulting from such merger or consolidation or into or with which the Company shall have been merged or consolidated or which shall have received a conveyance or transfer as aforesaid (such corporation being sometimes in this Article Thirteen called the successor corporation) shall execute and cause to be recorded a supplemental indenture to and with the Trustees, satisfactory to the Trustees, whereby the successor corporation shall assume and agree to pay duly and punctually the principal of and interest on the bonds issued hereunder in accordance with the provisions of said bonds and this Indenture, and shall agree to perform and observe all the terms, covenants and conditions of this Indenture binding the Company. Such successor corporation shall thereupon succeed to and be substituted for the Company with the same effect as if it had been named herein as the mortgagor company and in the bonds as the obligor thereon or maker thereof, and the successor corporation may thereupon adopt any bonds theretofore executed by the Company or any intermediate successor corporation and may cause to be signed, issued and delivered, either in its own name or in the name of Northwest Pipeline Corporation or in the name of any intermediate successor corporation, any or all such bonds which shall not theretofore have been signed by the Company or any intermediate successor corporation and authenticated by the Corporate Trustee; and upon the order of the successor corporation in lieu of the Company, and subject



to all the terms, conditions and restrictions in this Indenture prescribed with respect to the authentication and delivery of bonds, the Corporate Trustees shall authenticate and deliver any of such bonds which shall have been previously signed and delivered by officers of the Company or any intermediate successor corporation to the Corporate Trustees for authentication, and any of such bonds which the successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be signed by its corresponding officers and delivered to the Corporate Trustees for such purpose. All the bonds so issued shall in all respects have the same legal rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this Indenture as though all of said bonds had been issued at the date of the execution hereof.

Section 13.03. In respect of property owned by the Company at the time of any consolidation, merger, sale, conveyance or transfer to which the provisions of Section 13.02 are applicable, and substitutions, replacements, accessions, additions, alterations, improvements, betterments, developments, extensions and enlargements thereto subsequently made, constructed or acquired, the rights and duties of the successor corporation hereunder shall be the same as the rights and duties of the Company would have been had such consolidation, merger, sale, conveyance or transfer not taken place.

Section 13.04. In respect of property at the time of such consolidation, merger, sale, conveyance or transfer (1) owned by the successor corporation, and/or (2) owned by any other corporation or corporations merged or consolidated into or with, or the property of other corporations which is conveyed or transferred to, such successor corporation, and/or property thereafter acquired by the successor corporation, except said substitutions, replacements, developments, extensions and alterations, improvements, betterments, developments, extensions and enlargements to, of or upon the property then owned by the Company referred to in Section 13.03, this Indenture or the supplemental indenture to be filed as above provided in Section 13.02 shall not become or be a lien upon any of such property except so much thereof as shall be subjected to the lien hereof by supplemental indenture, duly executed. Such supplemental indenture may, but need not necessarily, form one and the same instrument with the supplemental indenture provided for

in Section 13.02. Nothing herein shall be construed to prevent such supplemental indenture, at the option of the Company or its successor corporation, from subjecting to the lien hereof all property of such successor corporation then owned or thereafter acquired. All the covenants and agreements of the Company herein with respect to the mortgaged property shall apply to such property so subjected to the lien hereof.

SECTION 13.05. In case (pursuant to the provisions of Section 13.01) any other corporation or corporations shall be merged or consolidated into or with the Company under such circumstances that the corporate identity of the Company is not changed, the rights and duties of the Company, with respect to the property owned by such other corporation or corporations at the time of such merger or consolidation which is acquired by the Company by virtue of the merger or consolidation and charged to its fixed capital accounts, shall be the same as if such property had been acquired by the Company by purchase and charged to its fixed capital accounts as of the date of such merger or consolidation.

SECTION 13.06. Any act or proceeding by any provision of this Indenture authorized or required to be done or performed by resolution adopted by the Board of Directors or by any specified officer of the Company, shall and may be done and performed with like force and effect by resolution adopted by the like Board or by the like officer of any corporation that shall, at the time, be such lawful sole successor or purchaser of the Company.

SECTION 13.07. In case of any such consolidation, merger, sale, conveyance, transfer or lease, the Trustee shall be furnished with an opinion of counsel, which opinion the Trustees may receive as conclusive evidence that the applicable provisions of Sections 13.01 to 13.06, inclusive, or any of them, have been complied with or that any supplemental indenture made under any of said Sections 13.01 to 13.06, inclusive, complies with the conditions and provisions thereof.

SECTION 13.08. At any time prior to the exercise of any power by this Article Thirteen reserved to the Company or to a purchasing or

successor corporation, the Company or such purchasing or successor corporation may surrender any such reserved power by delivering to the Trustees an instrument in writing executed by its President or one of its Vice Presidents, under its corporate seal attested by its Secretary or one of its Assistant Secretaries, accompanied by a certificate of its Secretary or one of its Assistant Secretaries that the execution of such instrument was authorized by a resolution duly adopted by at least 66 $\frac{2}{3}$ % of its full Board of Directors at a meeting duly held; and thereupon the power so surrendered shall cease. Until so surrendered, the provisions of this Article Thirteen shall continue to apply to any number of successive mergers, consolidations, sales, conveyances, transfers or leases, the term "the Company" referring in each such case to the corporation which immediately before such merger, consolidation, sale, conveyance or transfer was the owner of the mortgaged property.

#### ARTICLE FOURTEEN.

##### SUNDRY PROVISIONS.

SECTION 14.01. If the Company, its successors or assigns, shall

(a) pay or cause to be paid the principal of and interest on the bonds to become due at the times and in the manner stipulated therein and herein; and/or

(b) provide for the payment of the bonds and interest thereon by depositing in cash with the Corporate Trustee at any time at or before maturity the entire amount due or to become due thereon for principal, premium, if any and interest to maturity of all the bonds outstanding; and/or

(c) in case of a call of all of the bonds then outstanding for redemption, deposit with the Corporate Trustee on or before the date on which all of such bonds (other than those which shall have matured by their terms) shall have been called for redemption, as required by Article Five, the entire amount of the redemption price thereof, including interest, and premium, if any, and shall deliver to the Corporate Trustee (1) proof satisfactory to the Corporate Trustee that notice of redemption as provided in Article Five has been given, or (2) proof satisfactory to the Corporate Trustee that arrangements have been made insuring that such notice will be given, or (3) a written instrument executed by the Company under its corporate seal, and expressed

to be irrevocable, authorizing the Corporate Trustee to give such notice for and on behalf of the Company; and/or

(d) surrender to the Corporate Trustee for cancellation all the bonds for which payment is not so provided;

and shall also pay all other sums due and payable hereunder by the Company, and shall well and truly keep and perform all the covenants and conditions herein required to be kept and performed by the Company (other than obligations which may have been assumed by the Company in respect of the reimbursement of taxes to the holders of bonds of any series, which shall remain in full force and effect notwithstanding the satisfaction and discharge of this Indenture) according to the true intent and meaning of this Indenture, then and in that case, at the request of the Company, all the mortgaged property shall revert to the Company and the entire estate, right, title and interest of the Trustees and of the registered owners of the bonds in respect of the mortgaged property shall thereupon cease, determine and become void; and the Trustees in such case, upon the cancellation of all outstanding bonds for the payment of which cash shall not have been deposited in accordance with the provisions of this Indenture, shall upon request of the Company and at its cost and expense execute and deliver to the Company, or its order, proper instruments acknowledging satisfaction of this Indenture and surrender to the Company, or its order, all cash and deposited securities, if any, which shall then be held hereunder as a part of the mortgaged property; provided, however, that if any such property shall have been delivered to the Trustees by any person or corporation other than the Company, the same shall be delivered or otherwise disposed of in accordance with any reservations, limitations, conditions or provisions which may have been set forth in the instrument in writing then executed, if any, respecting the use, management or disposition thereof.

SECTION 14.02. Each of the bonds is issued upon the express condition, to which each successive holder thereof expressly assents and by receiving the same agrees, that no recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any bond issued hereunder, or arising out of or because of the creation of any indebtedness hereby secured, shall be had against any promoter, subscriber to the capital stock, incorporator, stockholder, officer or di-



past, present or future, as such, of the Company, or of any successor corporation, either directly or through the Company, or such successor corporation, or through any receiver, assignee or trustee in bankruptcy, or by any legal or equitable proceeding, by virtue of any constitution, statute or rule of law or by the enforcement of any assessment, penalty, subscription or otherwise; it being expressly agreed and understood that the bonds and this Indenture and any indenture supplemental hereto, and the obligations hereunder and thereunder, are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the promoters, subscribers, incorporators, stockholders, officers or directors of the Company, or of any successor corporation, or any of them as such, because of the incurring of the indebtedness hereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in this Indenture, or in any indenture supplemental hereto, or in any of the bonds issued hereunder, or implied therefrom; and that any and all such personal liability of every name and nature, and any and all such rights and claims against every such promoter, subscriber, incorporator, stockholder, officer or director, whether arising at common law or in equity or created by statute or constitution, are hereby expressly released and waived as a condition of, and as a part of the consideration for, the execution of this Indenture and the issue of the bonds issued hereunder.

SECTION 14.03. Nothing in this Indenture or in the bonds issued hereunder, expressed or implied, is intended or shall be construed to prevent any bonds from having also any independent security or guaranty and the benefit of any covenants or agreements outside this Indenture, concerning which a notation may or may not be endorsed thereon, and the references herein or in the bonds to the equal security hereunder of all bonds shall not be deemed applicable to such independent security, guaranty, covenants or agreements and the rights hereunder of the holders of such bonds shall not be affected thereby.

SECTION 14.04. Any notice authorized by this Indenture to be given to the Company shall be sufficiently given for all purposes hereof if delivered to any officer of the Company or if mailed and addressed to the Company at its present post office address, P.O. Box 1526, Salt Lake City, Utah 84110, or at its office or agency last known to the Trustess.

SECTION 14.05. In case by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible for the Company to make publication of any notice required hereby in a newspaper or newspapers as herein provided, then such publication in lieu thereof as the Company shall make with the approval of the Corporate Trustees shall constitute a sufficient publication of such notice. Such publication shall, so far as may be, approximate the terms and conditions of the publication in lieu of which it is given.

SECTION 14.06. This Indenture is being executed in several counterparts, each of which is an original and all of which are identical except that, in certain counterparts, to facilitate recordation and/or filing, the description of the grants in Schedules I, I-I and II hereto covering properties situated in states and/or counties other than the state and/or county in which the particular counterpart is to be recorded and/or filed is included by reference only. Each counterpart of this Indenture is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument.

SECTION 14.07. Northwest Pipeline Corporation hereby acknowledges the receipt by it of an executed counterpart of this Indenture and each of the Trustees hereby acknowledges the receipt by each of them of an executed counterpart of this Indenture.

SECTION 14.08. This Indenture shall be construed and enforced in accordance with the laws of the State of New York except to the extent that the laws of any other state govern the manner or procedure for the enforcement of the lien created by this Indenture on the trust estate.

IN WITNESS WHEREOF, NORTHWEST PIPELINE CORPORATION has caused these presents to be signed by its President or a Vice President, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Secretary or an Assistant Secretary, and CHURCH & DWIGHT has caused these presents to be executed by a Senior Trust Officer or other duly authorized officer, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Secre-

tary or an Assistant Secretary, and Francis J. Farrell has hereunto set his hand and seal, all as of the day and year first above written.

[CORPORATE SEAL]

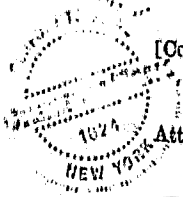
NORTHWEST PIPELINE CORPORATION

By *John G. McMillan Jr.*  
President



Attest:

*William F. Dineen*  
Assistant Secretary



[CORPORATE SEAL]

CHEMICAL BANK

By *J. H. Fleming*  
Senior Trust Officer

Attest:

*H. J. Hammerhirt*  
Assistant Secretary

*Francis J. Farrell* (L. 1)  
Francis J. Farrell

Signed, sealed, executed, acknowledged and delivered by NORTHWEST PIPELINE CORPORATION, CHEMICAL BANK and FRANCIS J. FARRELL in the presence of:

*Richard J. Lunnis*  
*Edmund C. Duffy*

NORTHWEST PIPELINE CORPORATION

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

I, CHRISTOPHER A. WILBURN, a notary public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certify that, on this 2nd day of February, 1974:

The foregoing instrument was acknowledged before me this 2nd day of February, 1974, by JOHN G. McMILLIAN, JR. as the President of NORTHWEST PIPELINE CORPORATION, a Delaware corporation, on behalf of the corporation.

On this 2nd day of February in the year nineteen hundred seventy-four, before me, CHRISTOPHER A. WILBURN, a notary public in and for the County of New York, State of New York, personally appeared JOHN G. McMILLIAN, JR., known to me to be the President of NORTHWEST PIPELINE CORPORATION, the corporation that executed the above instrument and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

On the 2nd day of February, 1974, before me personally came JOHN G. McMILLIAN, JR., to me known, who, being by me duly sworn, did depose and say that he resides at 4797 So., 2124 East, Salt Lake City, Utah 84117; that he is the President of NORTHWEST PIPELINE CORPORATION, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Personally appeared before me JOHN G. McMILLIAN, JR., who, being duly sworn, did say that he is the President of NORTHWEST PIPELINE CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was voluntarily signed and sealed in behalf of said corporation by authority of its Board of Directors.



(Utah)

On the 2nd day of February A.D. 1974, personally appeared before me JOHN G. McMILLAN, Jr., who being by me duly sworn did say that he, the said JOHN G. McMILLAN, Jr., is the President of NORTHWEST PIPELINE CORPORATION and that the foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said JOHN G. McMILLAN, Jr. duly acknowledged to me that said corporation executed the same.

(Washington)

On this 2nd day of February 1974, personally appeared before me JOHN G. McMILLAN, Jr., to me known to be the President of NORTHWEST PIPELINE CORPORATION, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

I certify that said JOHN G. McMILLAN, Jr. signed the foregoing instrument in my presence on the date aforesaid.

IN WITNESS WHEREOF, I have hereunto set my hand and official notarial seal this 2nd day of February, 1974.

My commission expires March 30, 1975.

*Christopher A. Wilburn*  
.....  
Notary Public



(NOTARIAL SEAL)

CHRISTOPHER A. WILBURN  
Notary Public, State of New York  
No. 24-4266600  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires March 30, 1975

CORPORATE TRUSTEE

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

I, CHRISTOPHER A. WILBURN, a notary public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certify that, on this 2nd day of February, 1974:

The foregoing instrument was acknowledged before me this 2nd day of February, 1974, by J. J. FLEMING, as a Senior Trust Officer of CHEMICAL BANK, Trustee.

On this 2nd day of February in the year of 1974 before me, CHRISTOPHER A. WILBURN, a notary public in and for the County of New York, State of New York, personally appeared J. J. FLEMING, known to me to be a Senior Trust Officer of CHEMICAL BANK, the corporation that executed the above instrument and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same, as Trustee.

On the 2nd day of February 1974, before me personally came J. J. FLEMING, to me known, who, being by me duly sworn, did depose and say that he resides at 166 82nd Street, Brooklyn, N. Y.; that he is a Senior Trust Officer of CHEMICAL BANK, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation; and that he signed his name thereto by like authority.

Personally appeared before me J. J. FLEMING, who, being sworn, did say that he is a Senior Trust Officer of CHEMICAL BANK and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was voluntarily signed and sealed in behalf of said corporation by authority of its Board of Directors.

(Utah)

On the 2nd day of February A.D. 1974, personally appeared before me J. J. FLEMING, who, being by me duly sworn did say that he, the said J. J. FLEMING, is a Senior Trust Officer of CHEMICAL BANK and that the foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors and said J. J. FLEMING duly acknowledged to me that said corporation executed the same.

(Washington)

On this 2nd day of February, 1974, personally appeared before me, J. J. FLEMING to me known to be a Senior Trust Officer of CHEMICAL BANK, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

I certify that said J. J. FLEMING signed the foregoing instrument in my presence on the date aforesaid.

IN WITNESS WHEREOF, I have hereunto set my hand and official notarial seal this 2nd day of February, 1974.

My commission expires March 30, 1975.



[NOTARIAL SEAL]

*Christopher A. Wilburn*  
.....  
Notary Public

CHRISTOPHER A. WILBURN  
Notary Public, State of New York  
No. 24-4266600  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires March 30, 1975

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## INDIVIDUAL TRUSTEE

STATE OF NEW YORK }  
 COUNTY OF NEW YORK } ss.:

I, CHRISTOPHER A. WILBURN, a notary public duly qualified, commissioned, sworn and acting in and for the County and State aforesaid, hereby certify that, on this 2nd day of February, 1974:

The foregoing instrument was acknowledged before me this 2nd day of February, 1974 by FRANCIS J. FARRELL, Trustee.

On this 2nd day of February in the year 1974, before me, CHRISTOPHER A. WILBURN, a notary public in and for the County of New York, State of New York, personally appeared FRANCIS J. FARRELL, known to me to be the person whose name is subscribed to the within instrument, as Trustee, and acknowledged to me that he executed the same as Trustee.

On the 2nd day of February, 1974, before me personally came FRANCIS J. FARRELL, to me known, and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

Personally appeared before me the above named FRANCIS J. FARRELL and acknowledged the foregoing instrument to be his voluntary act.

On the 2nd day of February, A.D. 1974, personally appeared before me FRANCIS J. FARRELL, the signer of the above instrument, who duly acknowledged to me that he executed the same.

On this 2nd day of February, 1974, personally appeared before me FRANCIS J. FARRELL, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.



I certify that said FRANK J. FARSELL signed the foregoing instrument in my presence on the date aforesaid.

Witness Whereof, I have hereto set my hand and official notarial seal, this 2nd day of February, 1974.

My commission expires March 30, 1975

*Christopher A. Wilburn*  
.....

Notary Public

CHRISTOPHER A. WILBURN  
Notary Public, State of New York  
No. 24-4266300  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires March 30, 1975



Unofficial Copy

### SCHEDULE I

This Schedule I is attached to and hereby made a part of the Indenture of Mortgage and Deed of Trust, dated as of January 31, 1974, by and between Northwest Pipeline Corporation and Chemical Bank and Francis J. Farrell, as Trustees (hereinafter in this Schedule I referred to as the Indenture),

This Schedule I contains the descriptions of property, real, personal or mixed, and interests therein referred to in GRANTING CLAUSE FIRST of the Indenture. This Schedule I consists of Exhibits for each State or county or group of counties within a State in which such properties are located. Each Exhibit other than Exhibits C, D and E comprised of two or more Parts for each county in which such properties are located.

All deeds of conveyance and other instruments hereinafter described or referred to in this Schedule I are hereby incorporated herein by reference to the same extent and purpose as though they were set out herein in full, and reference is hereby made to said instruments for a more complete description of the properties and rights herein referred to and for all other purposes.

All references hereinafter made to Volumes or Books and Pages refer to the conveyance and deed records or other records wherein the instruments hereinafter referred to are recorded in the respective counties of the respective States in which said properties are situated.

To facilitate recording, there are omitted from certain counterparts of the Indenture those descriptions of property in Exhibits to this Schedule I to the Indenture which contain descriptions of property located in the States or counties other than the State or county or counties in which this particular counterpart of the Indenture is to be recorded. Accordingly, attached to this counterpart of the Indenture is the following Exhibit(s) to Schedule I and not others:

### EXHIBIT I

A counterpart of the Indenture containing all Exhibits to Schedule I of the Indenture is on file at the office of the Corporate Trustee and all such Exhibits to Schedule I not attached to this counterpart of the Indenture are hereby incorporated in this counterpart of the Indenture by reference as though specifically set forth herein.

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## SCHEDULE I

## EXHIBIT I — WASHINGTON

(Chelan County, Kittitas County, Klickitat County,  
Skamania County, Yakima County)

## PART I — CHELAN COUNTY

## DIVISION ONE: MAIN TRANSMISSION PIPE LINE BRANCHES

- (1) Main Transmission Pipe Line Branch, commonly called "Quincy Line",  
located in Chelan County, Washington.

2,707 Miles of 4½-inch Pipe Line

Beginning at a point of connection with the Wenatchee Line in the Southwest Quarter of the Northeast Quarter (SW¼NE¼) of Section 18, Township 21 North, Range 22 E., W.M., Chelan County, Washington; thence in a southeasterly and southerly direction across Sections 18, 17 and 20 and a portion of Section 29, Township 21 North, Range 22 East, W.M., to the end of the line at a point in the Northeast Quarter of the Southeast Quarter (NE¼SE¼) of Section 29;

together with the following recorded easements:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
41179	James Cottrell, et ux	8-10-65	18 17	21N 21N	22E 22E	674	133
41180	The Equitable Life Assurance Society of the United States	8-23-65	18 17	21N 21N	22E 22E	674	134
41181	J. A. Scroggie, et ux	8- 3-65	20	21N	22E	674	136
41531	Gordon E. Davies	1- 6-65	20	21N	22E	675	1218
41591	Wenatchee-Chelan County Credit Union	3- 8-66	20	21N	22E	676	188
41544	Gordon E. Davies	1- 6-66	20	21N	22E	675	1227
41223	William Andy Lee, et al	10-11-65	20	21N	22E	674	197
41184	Edith C. Davies, et al	8-18-65	Block 7, Dill's Orchard Tracts			674	139
41186	Doris L. Cable, et vir	10- 2-65	Block 7, Dill's Orchard Tracts			674	141
41185	Doris L. Cable, et vir	8-14-65	20	21N	22E	674	143
41187	Edith C. Davies, et al	8- 5-65	Block 6, Dill's Orchard Tracts Block 7, Dill's Orchard Tracts			674	145
			Block 6, Dill's Orchard Tracts Block 7, Dill's Orchard Tracts				

Co. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book	Page
41189	Wilson S. Hansen, et ux	9-15-65	20	21N	22E	674	147
41258	The Nat'l Bank of Commerce of Seattle	10-28-65	20	21N	22E	674	730
41464	North Wenatchee Branch Seattle 1st Nat'l Bank	10-18-65	20	21N	22E	695	759
41190	J. L. Apperson	8-18-65			Block 1, Dill's Orchard Tract Block 3, Dill's Orchard Tracts Block 4, Dill's Orchard Tracts		
42553	J. L. Apperson	3- 8-67			Block 1, Dill's Orchard Tracts	681	777
41191	Grace E. Apperson	8-18-65			Block 4, Dill's Orchard Tracts	674	149

(2) Main Transmission Pipe Line Branch, commonly called "Wenatchee Line", a segment of which is located in Chelan County, Washington.

3.505 Miles of 654-inch Pipe Line  
9.737 Miles of 854-inch Pipe Line

Beginning at a point on the County Line between Kittitas County and Chelan County, Washington, which point is 816.0 feet east of the northwest corner of Section 4, Township 20 North, Range 21 East, W.M. and on the south boundary in the Southwest Quarter of the Southeast Quarter (SW1/4SW1/4) of Section 33, Township 21 North, Range 21 East, W.M., thence in a northeasterly direction;

Continuing thence in Chelan County in a northeasterly direction across Sections 33, 34, 27, 26, 23, 24 and 13, Township 21 North, Range 21 East, W.M., to a point on the east boundary of said Section 13, distant 150.0 feet north of the southeast corner of said Section 13;

Continuing thence in a northeasterly and northwesterly direction across Sections 18, 7, 8, 5 and 6, Township 21 North, Range 22 East, W.M., to a point on the north boundary of said Section 6, distant 48.0 feet west of the north quarter corner of said Section 6;

Continuing thence in a northwesterly direction across Section 31, Township 22 North, Range 22 East, W.M., to a point on the west boundary of said Section 31, distant 2,216.0 feet south of the northwest corner of said Section 31;



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Continuing thence in a northwesterly direction across Sections 36, 25 and 26 and a portion of Section 27, Township 22 North, Range 21 East, W.M., to the end of the line at a point of connection with Cascade Natural Gas Corporation's Pipe Line System in the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 27, in Chelan County, Washington;

together with the following recorded rights and easements:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Ang.	Recorded Book Page
33306	Ellsworth Edgersoll, et ux	12-10-55	32	21N	21E	553 25
			33	21N	21E	
			34	21N	21E	
33307	Carl Scroggie, et ux	5-10-57	26	21N	21E	576 180
			27	21N	21E	
33308	Carl Scroggie, et ux	12-10-55	26	21N	21E	553 33
			27	21N	21E	
33309	Ernest Webb	12-12-55	23	21N	21E	553 39
			26	21N	21E	
			27	21N	21E	
33208	Richard O. Dilling, et ux	6-19-56	13	21N	21E	556 630
			7	21N	22E	
33800	Dept. of Natural Resources No. 24678	7-25-57	18	21N	22E	576 182
33209	Richard O. Dilling, et ux	7-17-56	18	21N	22E	560 245
33210	Richard O. Dilling, et ux	1-25-57	17	21N	22E	568 325
			18	21N	22E	
			13	21N	21E	
			14	21N	21E	
33211	Richard O. Dilling, et ux	1-25-56	13	21N	21E	553 21
			24	21N	21E	
			7	21N	22E	
			8	21N	22E	
33206	Aluminum Co. of America	5-24-57	25	22N	21E	576 170
			26	22N	21E	
			27	22N	21E	
			36	22N	21E	
			31	22N	22E	
			6	21N	22E	
			8	21N	22E	
33204	Public Utility Dist. No. 1 of Chelan County	7- 3-56	Lots 4, 5, 6, Blk. 2 Town of Malaga			556 623

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
33277	Chelan County Public Utility Dist. No. 1	6-12-56	5	21N	22E	556 632
33205	Edward K. Oswald	3-13-56		Lot 17, Blk. 3 Gulicks Orchard Tracts		553 31
33213	J. E. Sparks, et ux	1- 4-56		Lot 3 Blk. 2 Gulicks Orchard Tracts		553 37
33212	Roy Austin, et ux	3-13-56	27	21N	21E	553 19
42354	Aluminum Co. of America	8-29-66	27	22N	21E	680 63

## DIVISION TWO: REGULATING AND MEASURING STATIONS

## (1) Kawecki Chemical Meter Station

That certain Meter Station located in the Northeast Quarter (NE $\frac{1}{4}$ ) of Section 27, Township 22 North, Range 21 East, W.M., Chelan County, Washington;

together with the following recorded easement:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
42736	Kawecki Chemical Co.	3-30-67	27	22N	21E	681 1904

## (2) Quincy Meter Station

That certain Meter Station located in the Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 29, Township 21 North, Range 2<sup>nd</sup> East, W.M., Chelan County, Washington;

together with the following recorded easement:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
41496	Edith C. Davies, et al	1- 6-66	29	21N	22E	675 786

## I-5

## (3) Wenatchee (Malaga) Meter Station

That certain Meter Station located in the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 27, Township 22 North, Range 21 East, W.M., Chelan County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
32822	Aluminum Co. of America	4-30-56	27	22N	21E	553 544

## DIVISION THREE: NEW PROPERTIES

## (1) R/W 65548 Quincy Meter Station

A tract of land being the west fifty (50) feet of the south seventy-five (75) feet of Lot 5, Block 7, Dill's Orchard Tracts, lying in the Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 29, Township 21 North, Range 22 East, W.M., more particularly described as follows:

Commencing at the northeast corner of said Section 29; thence, South 89°01'15" West along the North line of said Section 29 a distance of 1196.51 feet to the centerline of Chelan County Road No. 181B; thence South 1°22'45" West along the said centerline of road a distance of 2546.74 feet; thence, North 89°43'45" East a distance of 15.0 feet to the east right of way line of the aforesaid County Road No. 181B, being the True Point of Beginning and the northwest corner of the tract herein-described; continuing North 89°43'45" East a distance of 50.0 feet; thence, South 1°22'45" West a distance of 75.0 feet to the south line of the aforesaid Lot 5; thence, South 89°43'45" West along said south line of Lot 5 a distance of 50.0 feet to the southwest corner of said Lot 5 and the east right of way line of County Road No. 181B; thence, North 1°22'45" East a distance of 75.0 feet to the True Point of Beginning, containing 0.09 acres, more or less.

## (2) R/W 551403 Wenatchee (Malaga) Meter Station

All that part of Lots 1, 2 and 3 in Block 2, Town of Malaga, Chelan County, Washington, lying North of Chelan County Highway No. 1, according to the plat thereof recorded May 19, 1903, Book 1, Page 62 of Plats, Records of Chelan County.

## PART 2—KITITITAS COUNTY

## DIVISION ONE: MAIN TRANSMISSION PIPE LINE BRANCH

(1) Main Transmission Pipe Line Branch, commonly called "Wenatchee Line", a segment of which is located in Kittitas County, Washington.

35.563 Miles of 8 $\frac{1}{4}$ -inch Pipe Line

Beginning at a point on the County Line between Yakima County and Kittitas County, Washington, which point is 637.0 feet east of the north quarter corner of Section 3, Township 15 North, Range 18 East, W.M. and on the south boundary in the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 34 Township 15 North, Range 18 East, W.M., thence in a northwesterly direction;

Continuing thence in a northwesterly and northerly direction across Sections 34, 27, 22, 15, 10, 3 and 2, Township 16 North, Range 18 East, W.M., to a point on the north boundary of said Section 2, distant 732.0 feet west of the southeast corner of Section 35, Township 17 North, Range 18 East, W.M.;

Continuing thence in a northeasterly direction across Sections 35, 36, 25 and 24, Township 17 North, Range 18 East, W.M. (crossing the N.P.R.R. and U.S. Highway 97 in the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section 24), to a point on the east boundary of said Section 24, distant 565.0 feet north of the southeast corner of said Section 24;

Continuing thence in a northeasterly direction across Sections 19, 18, 17, 8, 5 and 4, Township 17 North, Range 19 East, W.M. (crossing the C.M. & P. & R.R. in the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section 5 and a portion of U.S. Highway 10 in the Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 4), to a point on the north boundary of said Section 4, distant 1,885.0 feet east of the northwest corner of said Section 4;

Continuing thence in a northeasterly direction across Sections 33, 34, 27, 22, 23, 14, 13 and 12, Township 18 North, Range 19 East, W.M. (crossing a portion of U.S. Highway 10 in the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$ ) of said Section 33), to a point on



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the east boundary of said Section 12, distant 256.0 feet south of the northeast corner of said Section 12;

Continuing thence in a northeasterly direction across Sections 7 and 6, Township 18 North, Range 20 East, W.M., to a point on the north boundary of said Section 6, distant 566.0 feet west of the northeast corner of said Section 6;

Continuing thence in a northeasterly direction across Sections 31, 32, 29, 20, 17, 16, 15, 10, 11 and 2, Township 19 North, Range 20 East, W.M., to a point on the north boundary of said Section 2, distant 1,189.0 feet east of the north quarter corner of said Section 2;

Continuing thence in a northeasterly direction across Sections 35, 26, 25, 24, 13 and 12, Township 20 North, Range 20 East, W.M., to a point on the east boundary of said Section 12, distant 711.0 feet north of the southeast corner of said Section 12;

Continuing thence in a northeasterly direction across Sections 7, 8, 5 and 4, Township 20 North, Range 21 East, W.M., to a point on the north boundary of said Section 4, distant 816.0 feet east of the northwest corner of said Section 4, which point is also on the County Line between Kittitas County and Chelan County, Washington;

together with the following recorded rights and easements:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
33239	West Fork Timber Company	1-13-56	27	16N	18E	97	477
			22	16N	18E		
			10	16N	18E		
			15	16N	18E		
			34	16N	18E		
33216	James H. Dowdell, et ux	11-30-55	10	16N	18E	97	294
33217	Lawrence Mellegard, et ux	12-14-55	2	16N	18E	97	298
33219	Lawrence L. Hall	12- 3-55	2	16N	18E	97	118
33220	Harold J. L. Shea, et ux	4- 7-59	23	17N	18E	103	726
			25	17N	18E		
			26	17N	18E		
33221	Harold J. E. Shea, et ux	11-30-55	25	17N	18E	97	122
33222	Harold J. E. Shea, et ux	11-30-55	35	17N	18E	97	120
35084	Dept. of Natural Resources No. 24677	7-25-57	36	17N	18E	101	523
33223	Joseph Luther Benwy, et al	11-23-55	25	17N	18E	97	124

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
33224	Charles E. Stanfield, et ux	2- 8-56	25	17N	18E	97	493
33225	Bert Riddle, et ux	2- 8-56	24	17N	18E	97	498
33226	Bert Riddle, et ux	2- 8-56	25	17N	18E	97	488
33227	Warren DeShazer, et ux	11-25-55	24	17N	18E	97	128
33228	Puget Sound National Bank of Tacoma	2-20-56	19	17N	19E	97	503
33242	Paul F. Wippel, et ux	2- 8-56	19	17N	19E	97	505
33229	Paul F. Wippel, et ux	2- 8-56	18	17N	19E	97	510
45016	Paul F. Wippel, et ux	2-28-69	19	17N	19E	2	174
45036	N. N. Eaton, et al	3-12-69	19	17N	19E	2	332
33175	A. B. Paine, et ux	11-21-55	19	17N	19E	97	130
33177	Raymond E. Poulsen, et ux	11-16-55	18	17N	19E	97	132
33176	Louis E. Poulsen, et ux	1- 3-56	18	17N	19E	97	300
33178	Raymond E. Poulsen, et ux	1- 3-56	18	17N	19E	97	325
33179	Howard H. Kaynor, et ux	11-22-55	18	17N	19E	97	143
33180	Harold A. Payne, et ux	11-16-55	17	17N	19E	98	372
33181	Henry J. Rein, et ux	11-17-55	8	17N	19E	97	134
33182	Charles Manners, et ux	11-16-55	8	17N	19E	97	136
33183	Martin Haberman, et ux	11-21-55	8	17N	19E	97	110
33184	H. Kenneth McCullough, et ux	11-22-55	8	17N	19E	97	140
33202	Cecil H. Johnson, et ux	11-26-55	8	17N	19E	97	112
33203	C. R. Chack	11-19-55	8	17N	19E	97	114
33218	Lawrence Melleyaard,	12-14-55	3	16N	18E	97	296
			10	16N	18E	97	296
33185	Earl W. Sorenson, et ux	11-30-55	5	17N	19E	97	108
33186	Clarice M. Bates	11-25-55	5	17N	19E	97	106
33187	Harvey H. Kresge	11-18-55	5	17N	19E	97	116
33188	Anna M. Clerf	3- 5-56	5	17N	19E	98	362
33189	Dan C. Bates, et ux	11-28-55	4	17N	19E	97	153
33190	Wally M. Minielly, et ux	1-10-56	4	17N	19E	97	314
33191	Lottie Harris	12- 3-55	4	17N	19E	97	156
33192	Marie Ferguson	2-10-56	4	17N	19E	97	528
33193	Arthur W. Bartsook, et ux	12- 1-55	4	17N	19E	97	149
33194	Bessie Phelps	12-13-55	4	17N	19E	97	311
33195	Marion H. Qmstead, et ux	12-13-55	33	18N	19E	97	308
33196	Christ Jorgensen, et ux	11-29-55	33	18N	19E	97	147
33197	A. W. Schroeder, et ux	12-12-55	33	18N	19E	97	306
33198	M. O. Smith, et ux	2- 3-56	33	18N,	19E	97	515

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
33199	William H. Rosenberg, et ux	12- 2-55	33	18N	19E	97	158
33200	The Nat'l Bank of Commerce of Seattle	12- 5-55	34	18N	19E	98	525
33293	Daie Jaquez, et ux	12-13-55	27	18N	19E	97	320
33294	Robert C. Paul, et al	12-30-55	27	18N	19E	97	349
33295	John H. Paul, et ux	12-14-55	27	18N	19E	97	318
33296	Frank B. Schnebly, et ux	12- 9-55	27	18N	19E	97	316
33310	T. H. Howell, et ux	4-26-56	22	18N	19E	98	368
33312	Henry J. Schnebly, et ux	12-16-55	22	18N	19E	97	322
33311	Marguerite A. Schnebly	12-29-55	23	18N	19E	98	377
33313	Louis C. Erickson, et ux	12-30-55	23	18N	19E	97	522
			14	18N	19E		
33314	Fred Townsend, et al	1- 6-56	14	18N	19E	97	331
33315	Benjamin Shelton	2- 9-56	14	18N	19E	97	517
33317	Philip D. Schnebly	1- 5-56	11	18N	19E	97	329
			12	18N	19E		
			13	18N	19E		
			14	18N	19E		
33318	Don Schnebly	1- 5-56	12	18N	19E	97	333
33297	Ernest E. Barrhart, et ux	1- 7-56	1	18N	19E	97	337
			2	18N	19E		
			12	18N	19E		
			11	18N	19E		
33298	Blanch Lorraine Schnebly	4-18-56	12	18N	19E	98	374
33299	Kirk German, et ux	4-20-56	7	18N	20E	98	366
33300	Kirk German, et ux	1-12-56	12	18N	19E	97	335
33301	Lawrin T. Dawes, et ux	1-28-56	6	18N	20E	97	339
33302	D. D. Schnebly, et ux	1- 9-56	6	18N	20E	97	341
33303	Elvin McKenzie, et ux	1-24-56	32	19N	20E	97	524
33157	Cascade Lumber Co.	7-26-56	29	19N	20E	98	354
33158	Cascade Lumber Co.	7-26-56	2	19N	20E	98	346
			10	19N	20E		
			11	19N	20E		
			17	19N	20E		
33159	Cascade Lumber Co.	10-16-56	2	19N	20E	99	58
			10	19N	20E		
			11	19N	20E		
			12	19N	20E		
			17	19N	20E		

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
33798	Dept. of Natural Resources No. 24547	5-24-57	16	19N	20E	Cert. No. 265451
33799	Dept. of Natural Resources No. A24545	5-23-57	20	19N	20E	Cert. No. 265450
33214	Schnebly Bros. Livestock Co.	1-11-56	20	19N	20E	97 345
33793	Dept. of Natural Resources	5-24-57	10	19N	20E	No. 265452
33794	Dept. of Nat. Res. No. A24546	7-25-57	24	20N	20E	101 520
33795	Dept. of Nat. Res. No. A24563	5-24-57	5	20N	21E	No. 265453
33797	Dept. of Nat. Res. No. A24569	5-24-57	7	20N	21E	No. 265455
33304	D. H. Carr	5-31-56	8	20N	21E	98 339
33305	E. Edgersoll, et ux	1-27-56	4	20N	21E	97 526
35083	Dept. of Nat. Resources	5-8-55	36	17N	18E	98 364
33160	Cascade Lumber Company	7-26-56	15	19N	20E	98 341

## DIVISION TWO: REGULATING AND MEASURING STATION

## (1) Ellensburg Meter Station

That certain Meter Station located in the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 5, Township 17 North, Range 19 East, W.M., Kittitas County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32793	Earl W. Sorenson, et ux	4-25-56	5	17N	19E	97 590

## DIVISION THREE: TREE PROPERTIES

## (1) R/W 551379 Ellensburg Meter Station

A tract of land in a portion of the SE $\frac{1}{4}$  of Section 5, T-17-N, R-19-E, Willamette Meridian, Kittitas County, Washington, being more particularly described as follows:

Commencing at the SW corner of said Section 5, said point being located in the intersection of County Road No. 6 and State Highway 7-B; thence, in an easterly direction along the centerline of said State



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Highway 7-B, 3,794.76 feet; thence, in a northerly direction 30 feet to the true point of beginning in the north right of way fence of said State Highway 7-B, said point being the SE corner of the herein described tract of land;

Thence, in a northerly direction 50 feet along the east line of the subject property to a point;

Thence, in a westerly direction 110 feet to a point;

Thence, in a southerly direction 50 feet to a point in the said north right of way fence;

Thence, in an easterly direction along the said north right of way fence, 110 feet to the point of beginning.

The herein-described tract of land to contain 0.13 acres of land, more or less.

PART 3—Klickitat County

DIVISION ONE: MAIN TRANSMISSION PIPE LINE AND BRANCHES

*Section A—Main Transmission Pipe Line*

- (1) Main Transmission Line, commonly called "Ignacio, Colorado to Sumas, Washington Line", a segment of which is located in Klickitat County, Washington

84.523 miles of 28-inch Pipe Line

Beginning on the County Line between Benton and Klickitat Counties, Washington on the east boundary of Section 25, Township 5 North, Range 23 East, W.M., thence in a southwesterly direction.

Continuing thence in Klickitat County in a southwesterly direction across Sections 25, 26, 27, 28, 33, 32 and 31, Township 5 North, Range 23 East, W.M., to a point on the south boundary of said Section 31, distant 1,000.00 feet east of the southwest corner of said Section 31;

Continuing thence in a southwesterly direction across Section 6, Township 4 North, Range 23 East, W.M., to a point on the west boundary of said Section 6, distant 261.0 feet south of the northwest corner of said Section 6;

Continuing thence in a southwesterly direction across Sections 1, 2, 3, 4, 9, 8 and 7, Township 4 North, Range 22 East, W.M., to a point on the west boundary of said Section 7, distant 1,514.0 feet north of the southwest corner of said Section 7;

Continuing thence in a southwesterly direction across Sections 12, 13, 14, 15, 16, 17, 20 and 19, Township 4 North, Range 21 East, W.M., to a point on the west boundary of said Section 19, distant 2,750.0 feet north of the southwest corner of said Section 19;

Continuing thence in a southwesterly direction across Sections 24, 23, 22, 21, 23, 29 and 30, Township 4 North, Range 20 East, W.M., to a point on the west boundary of said Section 30, distant 219.0 feet north of the southwest corner of said Section 30;

Continuing thence in a southwesterly direction across Sections 25, 36, 35, 34 and 33, Township 4 North, Range 19 East, W.M., to a point on the

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south boundary of Section 33, distant 1,802.0 feet west of the south quarter of said Section 33;

Continuing thence in a southwesterly and northwesterly direction across Sections 4, 5 and 6, Township 3 North, Range 19 East, W.M., to a point on the west boundary of said Section 6, distant 550.0 feet south of the northwest corner of said Section 6;

Continuing thence in a northwesterly direction across Section 1, Township 3 North, Range 18 East, W.M., to a point on the north boundary of said Section 1, distant 1,950.0 feet " " of the northeast corner of said Section 1;

Continuing thence in a northwesterly and southwesterly direction across Sections 36, 35, 34, 33 and 32, Township 4 North, Range 18 East, W.M., (crossing State Highway No. 8 in the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section 32), to a point on the south boundary of said Section 32, distant 650.0 feet west of the southeast corner of said Section 32;

Continuing thence in a southwesterly and northwesterly direction across Sections 5 and 6, Township 3 North, Range 18 East, W.M., to a point on the west boundary of said Section 6, distant 1,500.0 feet south of the northwest corner of said Section 6;

Continuing thence in a westerly direction across Sections 1, 2, 3, 4, 5 and 6, Township 3 North, Range 17 East, W.M., to a point on the west boundary of said Section 6;

Continuing thence in a westerly direction across Sections 1, 2, 3, 4, 5 and 6, Township 3 North, Range 16 East, W.M. (crossing U.S. Highway 97 on the Section Line between said Sections 4 and 5), to a point on the west boundary of said Section 6, distant 1,800.0 feet north of the southwest corner of said Section 6;

Continuing thence in a westerly direction across Sections 1, 2, 3, 4, 5 and 6, Township 3 North, Range 16 East, W.M. (crossing the S.P. & S.R.R. in the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section 1), to a point on the West boundary of said Section 6, distant 618.0 feet north of the southwest corner of said Section 6;

Continuing thence in a westerly direction across Sections 1, 2, 3, 4, 9, 8 and 7, Township 3 North, Range 14 East, W.M. (crossing the S.P. & S.R.R. in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ))

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of said Section 8), to a point on the west boundary of said Section 7, distant 550.0 feet south of the northwest corner of said Section 7;

Continuing thence in a westerly direction across Sections 12, 11, 10, 9, 8 and 7, Township 3 North, Range 13 East, W.M. (crossing the S.P. & S.E.R. in the Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 8), to a point on the west boundary of said Section 7, distant 152.0 feet south of the northwest corner of said Section 7;

Continuing thence in a westerly direction across Sections 12, 1, 2, 3, 4, 5 and 6, Township 3 North, Range 12 East, W.M., to a point on the west boundary of said Section 6, distant 1,050.0 feet north of the southwest corner of said Section 6;

Continuing thence in a westerly direction across Sections 1, 2, 3, 4, 5 and 6, Township 3 North, Range 11 East, W.M., to a point on the west boundary of said Section 6, distant 2,550.0 feet south of the northwest corner of said Section 6;

Continuing thence in a northwesterly direction across Sections 1 and 2, Township 3 North, Range 10 East, W.M. (Crossing State Highway No. 8-D in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 2), to a point on the north boundary of said Section 2, distant 1,245.0 feet west of the northeast corner of said Section 2;

Continuing thence in a westerly direction across Sections 35, 34 and 33, Township 4 North, Range 10 East, W.M. (crossing the White Salmon River in the Southwest quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$ ) of said Section 35), to a point on the south boundary of said Section 33, distant 1,693.0 feet west of the southwest corner of said Section 33, which point is also on the County Line between Klickitat County and Skamania County, Washington;

together with the following recorded rights and easements:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
30338	Benjamin Elliott Stewart, Estate	9-15-55	25	5N	23E	120 202
30339	Ronald R. Ferguson, et ux	7-30-55	26	5N	23E	119 607
30336	Milton Mercer, et ux	7-26-55	26	5N	23F	119 617
30340	William J. Wineberg, et ux	11-22-55	27	5N	23E	120 204
			9	3N	14E	



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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
30341	Clarence E. McBride, et ux	9-12-55	3	4N	23E	120 115
			6	4N	23E	
			1	4N	22E	
			2	4N	22E	
			35	5N	22E	
30342	C. E. McBride, et ux	9-12-55	31	5N	23E	120 113
30343	Clarence E. McBride, et ux	9-12-55	33	5N	23E	120 105
			32	5N	23E	
			34	5N	23E	
			27	5N	23E	
30344	Charles J. McBride, et ux	9-13-55	32	5N	23E	120 107
30345	Hilda Stilwater	9-12-55	31	5N	23E	120 111
			32	5N	23E	
30346	L. G. Shattuck, et ux	8- 1-55	9	4N	22E	120 119
			10	4N	22E	
30347	L. G. Shattuck, et ux	8- 1-55	3	4N	22E	120 117
30348	Paul W. Miller, et ux	8- 6-55	3	4N	22E	119 619
			4	4N	22E	
30349	Arthur L. Lowell, et ux	7-29-55	7	4N	22E	119 615
			8	4N	22E	
			9	4N	22E	
30350	Arthur L. Lowell, et ux	7-29-55	8	4N	22E	121 156
30351	Harry J. Burnham	11-29-55	8	4N	22E	121 152
30352	Myrtle C. Andrew	8- 2-55	12	4N	21E	119 623
30353	Leonard Goodnight, et ux	8- 1-55	11	4N	21E	122 144
			10	4N	21E	
			14	4N	21E	
			15	4N	21E	
32400	Dept. of Public Land	5- 4-56	16	4N	21E	122 164
30354	H. D. Whitmore, et ux	8- 8-55	17	4N	21E	120 121
			19	4N	21E	
			20	4N	21E	
			21	4N	21E	
30355	Thomas H. Miller, et ux	8- 2-55	24	4N	20E	119 613
			22	4N	20E	
			23	4N	20E	
			26	4N	20E	
			18	4N	21E	
			19	4N	21E	
30356	Maria Binns	5-23-56	21	4N	20E	122 130
30357	Maria Binns	8- 5-55	22	4N	20E	120 70

Co. Reg. No.	Grantee	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
30458	Albert D. Binna & Nelson Binn	8- 5-55	28	4N	20E	120 123
			29	4N	20E	
			30	4N	20E	
30459	Clarence D. Kelley, et ux	8- 1-55	25	4N	19E	119 601
			26	4N	19E	
			35	4N	19E	
30462	Dept. of Public Land	5- 8-56	36	4N	19E	122 160
30460	Ida M. Vincent	8-18-55	33	4N	19E	119 629
			34	4N	19E	
			3	3N	19E	
30446	Edel Conn	1-26-56	33	4N	19E	120 431
30447	Willard G. Omie, et al	9-16-55	33	4N	19E	120 209
30448	Grace V. Rice, et vir	10-25-55	33	4N	19E	120 216
30449	Beatrice Elmore	10-25-55	33	4N	19E	120 214
30450	Andrew Elmore, et ux	11- 5-55	33	4N	19E	120 212
30451	Augustus W. Beckis, et ux	9-16-55	5	3N	19E	120 125
30452	Augustus W. Beckis, et ux	9-16-55	6	3N	19E	120 127
30453	Guy E. Thompson, et ux	8-18-55	34	4N	18E	120 74
30454	Guy E. Thompson, et ux	8-18-55	31	4N	19E	120 72
			32	4N	19E	
			5	3N	19E	
			6	3N	19E	
			35	4N	18E	
			36	4N	18E	
			1	3N	18E	
			2	3N	18E	
32324	Dept. of Public Land	5- 7-56	36	4N	18E	122 162
30535	Joseph M. Hector, et ux	8-20-55	35	4N	18E	119 631
30536	W. E. Hector, et ux	8-20-55	4	3N	17E	119 635
30537	W. E. Hector, et ux	10- 6-55	34	4N	18E	120 227
30538	J. E. Ellsworth	8-30-55	33	4N	18E	120 131
30539	Lavina Kayser	8-26-55	33	4N	18E	120 133
			4	3N	18E	
30542	Frank Riley, et ux	8-26-55	32	4N	18E	120 133
			31	4N	18E	
			6	3N	18E	
			5	3N	18E	
30541	M. R. Davies, et ux	8-19-55	6	3N	18E	120 102
30542	Milton R. Davies, et ux	8-19-55	6	3N	16E	120 84
30543	W. C. Yeley, et ux	9- 6-55	1	3N	17E	120 137
			6	3N	18E	

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
30544	Fred C. Hector, et ux	10-17-55	1	3N	17E	120 229
30545	Glenn M. Claussen, et ux	10-24-55	2	3N	17E	
30546	Paul Davenport, et ux	8-19-55	2	3N	17E	120 231
			3	3N	17E	119 633
			35	4N	17E	
30547	Harry Ferguson, et ux	10-21-55	3	3N	17E	122 341
30548	Charles Hector, et ux	8-20-55	4	3N	17E	119 637
30549	Clarence J. Tobin, et ux	8-19-55	4	3N	17E	119 639
			5	3N	17E	
30550	Eva E. McDowell, et al	8-25-55	5	3N	17E	122 123
30551	David R. Thompson, et ux	8-18-55	6	3N	17E	120 76
30552	Cecil R. McDowell, et ux	8-25-55	6	3N	17E	120 78
30553	Edna S. Mulford, et al	10-19-55	1	3N	16E	122 142
30554	William J. Young, et ux	10- 4-55	1	3N	16E	120 233
30556	Agnes H. Sarsfield	9-23-55	1	3N	16E	120 235
			2	3N	16E	
30557	Everett C. Wedgwood, et ux					
		8-20-55	2	3N	16E	119 641
30558	Josie Wedgwood	8-20-55	3	3N	16E	119 645
30559	John W. Bridgefarmer, et ux	8-19-55	3	3N	16E	119 647
30560	Walter Storey, et ux	8-19-55	3	3N	16E	119 649
30561	Bert Beyerlin, et ux	8-19-55	3	3N	16E	120 1
30562	Charles A. Gronewald, et ux	8-23-55	4	3N	16E	120 3
30563	Lydia M. Branton	9-16-55	4	3N	16E	120 237
30564	John P. Cocran, et ux	8-23-55	5	3N	16E	120 11
30565	Frank Linden, et ux	8-19-55	7	3N	16E	120 82
			6	3N	16E	
			1	3N	15E	
			12	3N	15E	
30566	Harold Harris, et ux	8-26-55	2	3N	15E	120 86
30567	Wilbert W. Crocker, et ux	8-22-55	1	3N	14E	122 339
30568	Wilbert Crocker, et ux	8-20-55	2	3N	15E	120 15
30569	Edward T. J. Abeling, et ux	8-19-55	3	3N	15E	120 88
30570	Zenas F. Mattson, et ux	8-19-55	3	3N	15E	120 23
30571	Matthew Crocker	8-20-55	3	3N	15E	120 25
30572	Harold Eshelman, et ux	8-20-55	4	3N	15E	120 90
			9	3N	15E	
30573	Stanley Crocker, et ux	8-22-55	5	3N	15E	120 29
30574	Peter Anderson, et ux	8-20-55	5	3N	15E	120 33

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Reg.	Recorded Book Page
30575	Edward Mattson, et ux	8-29-55	6	3N	15E	120 94
			7	3N	15E	
30576	Arnold M. Hoikka	8-25-55	1	3N	14E	120 35
30577	Ruth E. Niva	8-25-55	2	3N	14E	120 39
			11	3N	14E	
30578	Mayme Ahola	9- 1-55	3	3N	14E	120 149
30580	Jeanie Wiidjanen	8-24-55	3	3N	14E	122 140
			4	3N	14E	
			9	3N	14E	
30579	Gladys G. Uecker	3-22-57	3	3N	14E	126 97
			4	3N	14E	
			9	3N	14E	
30581	Wade L. Uecker, et ux	8-26-55	4	3N	14E	120 98
			9	3N	14E	
30582	Louise Wood	9-16-55	5	3N	14E	120 155
			6	3N	14E	
			7	3N	14E	
			8	3N	14E	
30583	Louise Wood	9-16-55	5	3N	14E	120 151
			8	3N	14E	
30584	Walter V. Hanna, et ux	9-12-55	7	3N	14E	120 241
			8	3N	14E	
30585	Delbert E. Powell, et al	8-20-55	1	3N	13E	120 243
			12	3N	13E	
30587	Rita E. Marshall	3- 4-57	12	3N	13E	123 429
30586	Ethal M. Obarr, et al	8-29-55	12	3N	13E	122 138
30589	Stanley S. Krusow, et al	8-17-55	1	3N	13E	120 331
			2	3N	13E	
			3	3N	13E	
			11	3N	13E	
30588	Stanley S. Krusow, et ux	4-17-56	1	3N	13E	121 404
			2	3N	13E	
			3	3N	13E	
			11	3N	13E	
30590	Harold L. Brandt, et al	8-18-55	10	3N	13E	120 100
30592	Stanley S. Krusow, et ux	8-15-55	4	3N	13E	119 625
			9	3N	13E	
30591	W. H. Brashers, et al	8-16-55	8	3N	13E	119 627
			9	3N	13E	
30593	O. P. Kreps, Jr., et ux	9-10-55	7	3N	13E	120 159
			8	3N	13E	



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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rag.	Recorded Book Page
30595	O. B. Skippey, et ux	8-24-55	6	3N	13E	120 40
			7	3N	13E	
30594	Orie Blair Skippey, et ux	9-19-55	12	3N	13E	120 165
30596	William S. Wheeler, et ux	9-21-55	1	3N	12E	120 245
			2	3N	12E	
			12	3N	12E	
30597	Jessie Scott	1-17-56	12	3N	12E	121 154
32376	State Forest Board	5- 1-56	11	3N	12E	121 416
J2377	State Forest Board	5- 1-56	2	3N	12E	121 420
30599	Victor Johnson, et ux	11- 2-55	2	3N	12E	120 251
			11	3N	12E	
30598	Victor Johnson, et ux	11- 2-55	2	3N	12E	121 407
			11	3N	12E	
30600	Victor Johnson, et ux	11- 2-55	2	3N	12E	121 146
30601	Albert Johnson	11- 2-55	3	3N	12E	121 408
30603	Joe Palermo, et ux	9-29-55	3	3N	12E	120 261
30604	Ellen Nielson	9- 9-55	4	3N	12E	121 150
30605	Robert E. Foster, et ux	10- 1-55	4	3N	12E	120 265
30607	C. L. Conklin, et ux	10- 4-55	5	3N	12E	120 276
			6	3N	12E	
30606	C. L. Conklin, et ux	4-14-56	5	3N	12E	121 412
			6	3N	12E	
32381	State Forest Board	5- 1-56	1	3N	11E	121 413
30608	Vernon Cochenour, et ux	9-22-55	1	3N	11E	120 286
			12	3N	11E	
30609	William Francis Perry	9-30-55	2	3N	11E	120 290
30610	Kenzio Kida, et ux	10-11-55	2	3N	11E	120 298
32380	State Forest Board	5- 1-56	2	3N	11E	121 405
30611	Ray Walker, et ux	10- 6-55	3	3N	11E	120 300
30612	Charles E. Gale, et ux	11-11-55	3	3N	11E	120 253
			4	3N	11E	
30613	Jack A. Woff, et ux	11-10-55	3	3N	11E	120 294
			4	3N	11E	
30614	Elmer W. Osborne, et ux	10-24-55	4	3N	11E	120 312
30615	W. A. Hossack	10-26-55	4	3N	11E	122 136
30616	F. D. Wallace, et ux	10-15-55	5	3N	11E	120 304
30617	Guy W. Needham, et ux	9-20-55	5	3N	11E	120 169
			6	3N	11E	
30618	F. D. Wallace, et ux	10-15-55	6	3N	11E	122 132
32379	State Forest Board	5- 1-56	6	3N	11E	121 418

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Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book	Page
38934	State of Washington, Dept. of Natural Resources	6-1-63	6	3N	11E	127	31
30619	V. C. Zimmerman	11-10-55	6	3N	11E	120	310
30620	Gryce G. Read, et ux	10-12-55	1	3N	10E	120	312
30623	Flora E. Griffith	11-10-55	33	4N	10E	120	327
30624	Florence E. Griffith	11-10-55	1	3N	10E	120	314
30625	Florence E. Griffith	11-10-55	2	3N	10E	120	316
30626	Julia Estes, et al.	10-10-55	2	3N	10E	120	333
30627	Julia Estes, et al.	9-9-55	2	3N	10E	120	318
30628	Pacific Power and Light Company	12-3-56	34	4N	10E	123	431
30629	B. Hendryx, et ux	11-10-55	34	4N	10E	120	321
			35	4N	10E		
30630	Orie G. Garrett, et ux	10-15-55	34	4N	10E	120	323
30631	Fernon Breedlove, et ux	10-21-55	34	4N	10E	120	325
32395	State of Washington, Dept. of Natural Resources	2-25-60	33	4N	10E	121	631
48870	O. P. Kreps, Jr.	7-30-71	8	3N	13E	159	298

Section B--Main Transmission Pipe Line Branches

(1) Main Transmission Pipe Line Branch, commonly called "The Dalles Line", a segment of which is located in Klickitat County, Washington

11.210 Miles of 4 1/2-inch Pipe Line

Beginning at a point of connection with the Ignacio, Colorado to Sumas, Washington Line in the North-west Quarter of the Northwest Quarter (NW 1/4 NW 1/4) of Section 11 Township 3 North, Range 13 East, W.M., Klickitat County, Washington; thence in a Southerly direction across Sections 11, 14, 15, 22, 23, 26 and 35, Township 3 North, Range 13 East, W.M., to a point on the South boundary of said Section 35, distant 1,550.0 feet East of the Southwest corner of said Section 35;

Continuing thence in a Southerly direction across Sections 2, 11, 14, 23, 26 and 35, Township 2 North, Range 13 East, W.M., (crossing U. S. Highway 830 in the Northwest Quarter of the Northeast Quarter (NW 1/4 NE 1/4) of Section 23, the S.F. & S.R.R. in the Northwest Quarter of the Southeast Quarter (NW 1/4 SE 1/4) of said Section 35, and a portion of the Columbia River in the Southeast Quarter (SE 1/4) of said Section 35, to a point on the County and State Line between Klickitat County,

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Washington and Wasco County, Oregon, which point is in the Columbia River at a point where the Interstate Bridge crosses the Columbia River and bears South 16°45' West, a distance of 3,950.0 feet from the Northeast corner of said Section 35;

together with the following recorded rights and easements:

Co. Reg. No.	Grantor	Date of Grant	S/c.	Twp.	Rng.	Recorded Book Page
34202	J. W. Powell, et al	12- 7-57	11	3N	13E	125 487
34203	H. F. Byars, et ux	12- 7-57	11	3N	13E	125 140
34204	Alrona Davies	12- 3-57	11	3N	13E	125 380
34205	S. N. Beattie, et ux	12-13-57	14	3N	13E	125 144
34206	W. H. Brashers, et al	12-13-57	15	3N	13E	125 142
			15	3N	13E	
			22	3N	13E	
			23	3N	13E	
34207	B. H. Taylor, et ux	12- 7-57	22	3N	13E	125 140
			23	3N	13E	
			26	3N	13E	
			27	3N	13E	
34208	B. L. Eddins, et al	4- 4-58	26	3N	13E	126 99
			35	3N	13E	
34209	C. L. Eddins, et al	10-23-58	23	3N	13E	127 25
34210	C. E. Oneal, et ux	2-22-58	35	3N	13E	125 382
34211	Fred G. Smith, et ux	2-21-58	2	2N	13E	125 385
			11	2N	13E	
			14	2N	13E	
			23	2N	13E	
34213	C. J. Smith, et ux	9-18-58	25	2N	13E	126 460
34214	Department of the Army	10-24-58	26	2N	13E	127 20
			35	2N	13E	
28604	William H. Briggs & Dorothy Briggs Dannells	9-29-55	6	3N	12E	120 278
28575	D. Hugh Cameron, et ux	8-23-55	11	3N	15E	120 17
28576	Matthew Crocket	8-20-55	10	3N	15E	120 19
28577	Wilbert Crocker, et ux	8-20-55	3	3N	15E	120 21
28573	Anna M. Dayton	8-19-55	5	3N	16E	120 9
28569	J. W. Ellsworth	8-30-55	3	3N	16E	120 129
28576	Hilmer W. Erickson	8-22-55	9	3N	15E	120 27
28558	Ronald R. Ferguson, et ux	7-30-55	35	5N	23E	119 669

Co. Ref. No.	Grantee	Date of Grant	Sec.	Twp.	Rang.	Recorded Book	Page
28560	Leonard Goodnight, et al	7-29-55	18	4N	22E	122	146
28564	Oliver E. Stan, et ux	8-15-55	5	3N	14E	120	13
28572	John H. Hodor, et ux	8-29-55	4	3N	16E	120	80
28571	W. B. Hensbroeck, et ux	8-22-55	4	3N	16E	120	7
28565	Wilford G. Harrie, et ux	9-16-55	32	4N	19E	120	218
28564	Ken L. Klyner	9-3-55	11	3N	14E	120	145
			12	3N	14E		
28591	Percy W. Kemp, et ux	9-19-55	1	3N	12E	120	167
28593	Percy W. Kemp, et ux	9-19-55	1	3N	12E	120	163
28593	Wilford J. Knight, et ux	9-22-55	2	3N	12E	120	253
			3	3N	12E		
28580	W. J. Knight, et ux	9-22-55	1	3N	12E	120	249
28595	R. J. Kregg	9-10-55	8	3N	13E	120	161
28596	R. Jann Kregg	9-10-55	5	3N	13E	120	157
28589	Alfred J. Matick, et ux	9-18-55	3	3N	13E	120	153
28591	Richard A. Mattson, et ux	9-20-55	8	1N	15E	120	92
28589	Charles J. McBride, et ux	9-13-55	31	5N	23E	120	109
28605	Rene Welch McGowan, et al	9-24-55	6	3N	12E	120	280
28592	Herbert C. Metcalf	11-3-55	1	3N	12E	120	247
28561	Thos. H. Miller, et ux	8-2-55	26	4N	20E	119	611
28601	Selma A. Cockburn	9-22-55	7	3N	12E	120	282
28591	Ellen Nielsen	9-9-55	10	3N	12E	121	148
28381	Henry Eugene Niva, et al	9-1-55	11	3N	14E	120	147
28601	Joe Palermo, et ux	9-29-55	10	3N	12E	120	257
28601	Joe Palermo, et ux	9-29-55	10	3N	12E	120	259
28578	William F. Peary	9-30-55	11	3N	11E	120	288
28586	Alvin J. Randall, et ux	8-25-55	9	3N	14E	120	37
			10	3N	14E		
28614	Bruce M. Stevenson	1-14-55	33	4N	10E	120	329
28563	Jean Shattuck	8-1-55	27	4N	20E	119	605
28571	O. B. Shippey, et ux	8-24-55	6	3N	13E	120	43
28470	Alan Shupe, et ux	8-20-55	5	3N	15E	120	31
28370	Wm. C. Story, et ux	8-19-55	2	3N	16E	119	643
			3	3N	16E		
28612	Sidney Thompson, et ux	11-4-55	1	3N	10E	120	308
			6	3N	10E		
28607	Carl L. Teel, et ux	10-6-55	1	3N	11E	120	284
28583	Wade L. Uecker	10-8-55	4	3N	14E	120	239
28610	Melvin Walker, et ux	10-11-55	5	3N	11E	120	306



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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
28611	Ray Walker, et al	10-6-55	6	3N	11E	123 284
28609	Ray Walker, et ux	9-30-55	3	3N	11E	120 284
28564	Horace Allen White, et ux	8-1-55	31	4N	20E	119 603
28603	James Yohey, et ux	9-21-55	32	4N	20E	120 263
			4	3N	12E	120 263

(2) Main Transmission Pipe Line Branch, commonly called "White Salmon-Food River Line", a segment of which is located in Klickitat County, Washington.

4.206 Miles of 4 1/4-inch Pipe Line  
0.950 Miles of 6 3/4-inch Pipe Line

Beginning at a point of connection with the Ignacio, Colorado to Sumas, Washington Line in the Southeast Quarter of the Northwest Quarter (SE 1/4 NW 1/4) of Section 6, Township 3 North, Range 11 East, W.M., Klickitat County, Washington; thence in a southwesterly direction across Sections 6, 7 and 18, Township 3 North, Range 11 East, W.M., to a point on the west boundary of said Section 18, distant 2,250.0 feet south of the northwest corner of said Section 18;

Continuing thence in a southerly direction across Sections 18, 24 and 25, Township 3 North, Range 10 East, W.M. (crossing State Highway No. 8-D in the Southeast Quarter (SE 1/4) of said Section 24, U.S. Highway 820 and the S.P. & S.R.R. in Lot 7 of said Section 25 and a portion of the Columbia River in said Section 25), to a point on the County and State Line between Klickitat County, Washington and Hood River County, Oregon, which point is in the Columbia River at a point where the Interstate Bridge operated by the Port of Hood River, Oregon crosses the Columbia River and bears South 43°18' West, a distance of 2,953.8 feet from the northeast corner of said Section 25;

together with the following recorded rights and easements:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
38934	State of Washington Dept. of Natural Resources	6-23-63	6	3N	11E	137 31
38466	E. L. Jones, et al	12-17-62	6	3N	11E	135 300
38474	Gryce G. Read, et ux	12-13-62	7	3N	11E	135 302
39245	D. M. Honsaker	9-26-63	7	3N	11E	136 679
38550	Thomas Little, et al	12-18-62	7	3N	11E	135 298

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
39473	Lawrence D. Kelly, et al	12-17-62	7	3N	11E	135 304
39577	Leona Kelly Kell, et al	2-28-64	7	3N	11E	137 575
39578	Mathilda C. Kelly	2-19-64	7	3N	11E	25 103
39729	H. B. Larsen, et ux	5-17-63	7	3N	11E	136 70
39280	The Northwest Bank of Commerce of Seattle	9-24-63	18	3N	11E	136 642
39267	Ed Cox, et ux	2-20-63	18	3N	11E	135 405
39472	Edwin W. Cox, et ux	12-18-62	13	3N	10E	135 306
39468	Herbert P. Roberts, et ux	12-14-62	13	3N	10E	135 308
39350	Paul G. Kernz, et ux	3- 6-63	13	3N	10E	135 477
39551	Melvin H. Walker, et ux	12-14-62	13	3N	10E	135 296
40572	Eugene Roy Dennis, et ux	2-20-65	13	3N	10E	139 618
39130	W. F. Daubenspeck, et al	12-18-62	13	3N	10E	136 483
39471	Fred H. Campbell	12-14-62	24	3N	10E	135 310
39591	William Balsiger	3- 6-63	24	3N	10E	135 475
40727	Richard W. Balsiger, et al	4- 7-65	24	3N	10E	139 697
39470	W. C. Manly, et ux	12-16-62	24	3N	10E	135 312
39469	City of White Salmon	12-18-62	24	3N	10E	135 315
39476	William R. Lauterbach, et ux	12-20-62	24	3N	10E	135 317
39592	Louise Lauterbach, et al	12-20-62	24	3N	10E	135 481
39467	Louise Lauterbach	12-20-62	24	3N	10E	135 319
39475	Marvin Mosher, et ux	12-18-62	24	3N	10E	135 321
39465	W. T. Sperry, et ux	12-17-62	25	3N	10E	135 323
39225	A. N. Vause	9-20-63	25	3N	10E	136 607

DIVISION TWO: MAIN LINDEN LIME COMPRESSOR STATION

(1) Compressor Station 15-C

That certain Compressor Station, located in the Northwest Quarter of the Southwest Quarter (NW1/4SW1/4) of Section 3, Township 3 North, Range 16 East, W. M., Klickitat County, Washington;

together with the following recorded rights:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
50051	Bert G. Beyerlin, et ux	5-11-73	3	3N	16E	162 64

## DIVISION THREE: REGULATING AND MEASURING STATIONS

## (1) Goldendale Meter Station

That certain Meter Station located in the Southeast Quarter (SE $\frac{1}{4}$ ) of Section 4, Township 3 North, Range 13 East, W.M., Klickitat County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
32782	Charles A. Gronewald, et ux	5-12-59	4	3N	16E	127 724

## (2) Klickitat Sales Meter Station

That certain Meter Station located in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 12, Township 3 North, Range 13 East, W.M., Klickitat County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
43002	Wm. F. Howard, et ux	7-31-67	12	3N	13E	145 146

## (3) White-Salmon-Hood River Meter Station

That certain Meter Station located in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 25, Township 3 North, Range 10 East, W.M., Klickitat County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
39231	Wm. F. Howard, et ux	9-28-63	25	3N	10E	136 646

## (4) John Day Dam (Harvey Aluminum) Meter Station

That certain Meter Station located in the Southwest Quarter (SW $\frac{1}{4}$ ) of Section 6, Township 3 North, Range 17 East, W.M., Klickitat County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
47932	Wm. F. Howard, et ux	10-4-71	6	3N	17E	156 431

DIVISION FOUR: FEE PROPERTIES

(1) R/W 71265 John Day Dam (Harvey Aluminum) Meter Station

A tract of land in Section 6, Township 3 North, Range 17 East, W.M., Klickitat County, Washington, being more particularly described as follows:

Beginning at the Brass Monument at the Northwest corner of said Section 6; thence South  $0^{\circ}24'50''$  West, along the West range line of Range 17 East, 319.54 feet to the true point of beginning;

Thence South  $0^{\circ}24'50''$  West 125 feet;

Thence North  $88^{\circ}29'26''$  East 60.0 feet;

Thence North  $0^{\circ}24'50''$  East 125 feet;

Thence South  $88^{\circ}29'26''$  West 60.0 feet to the true point of beginning, containing 0.17 acres, more or less.

(2) R/W 70150 Klickitat River Crossing.

A 2.580 acre tract of land, more or less, in the Northwest Quarter of the Northeast Quarter ( $NW\frac{1}{4}NE\frac{1}{4}$ ) of Section 8, Township 3 North, Range 13 East, W.M., Klickitat County, Washington, more particularly described as follows:

Beginning at a point located in said Northwest Quarter of the Northeast Quarter ( $NW\frac{1}{4}NE\frac{1}{4}$ ) of Section 8, said point bears South  $68^{\circ}41'$  West, a distance of 2,534.20 feet from the Northeast corner of said Section 8;

Thence North  $58^{\circ}23'$  West, a distance of 380.10 feet;

Thence South  $30^{\circ}29'$  West, a distance of 150.00 feet;

Thence South  $28^{\circ}03'$  West, a distance of 150.70 feet;

Thence South  $58^{\circ}23'$  East, a distance of 362.90 feet;

Thence North  $31^{\circ}37'$  East, a distance of 300.00 feet to the point of beginning.



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(3) R/W 73010 Compressor Station 15-C.

A 24.284 acre tract of land, more or less, in the Southwest Quarter (SW $\frac{1}{4}$ ) of Section 3, Township 3 North, Range 16 East, W.M., Klickitat County, Washington, more particularly described as follows:

Beginning at a point on the West boundary of said Section 3, said point bears in a Southerly direction along the West boundary of said Section 3, a distance of 535.5 feet from the West Quarter corner of said Section 3;

Thence South 89°20'30" East, a distance of 1324.18 feet;

Thence South 0°04'30" East, a distance of 890.00 feet;

Thence North 89°20'30" West, a distance of 1320.59 feet;

Thence North 0°19'30" West, a distance of 800.06 feet to the point of beginning.

(4) R/W 67027 Klickitat Sales Meter Station Site.

A 0.13 acre tract of land in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ , NE $\frac{1}{4}$ ) of Section 12, Township 3 North, Range 13 East, W.M., Klickitat County, Washington, more particularly described as follows:

Beginning at the Southeast corner of said Section 12; thence along the East line of said Section 12 North 00°27'26" East, a distance of 4083 feet;

Thence leaving said line South 85°52'05" West, a distance of 30.10 feet to the Westerly right-of-way line of High Prairie Road and the true point of beginning;

Thence South 85°52'05" West, a distance of 60 feet;

Thence parallel with the East line of said Section 12 North 00°27'26" East, a distance of 100 feet;

Thence North 85°52'05" East, a distance of 40 feet;

Thence South  $00^{\circ}27'35''$  West, a distance of 20 feet;

Thence North  $85^{\circ}52'05''$  East, a distance of 20 feet to the West side right-of-way line of High Prairie Road;

Thence along said line South  $00^{\circ}27'26''$  West, a distance of 70 feet to the point of beginning.

(3) E/W 251387 Golden/Als Sales Meter Station Site.

A tract of land in a portion of the Southeast Quarter ( $SE\frac{1}{4}$ ) of Section 4, Township 3 North, Range 16 East, Willamette Meridian, Klickitat County, Washington, being more particularly described as follows:

Beginning at the Northeast corner ( $\frac{1}{2}''$  I.P.) of the herein described tract of land, from which the Northeast corner of Section 4, Township 3 North, Range 16 East, W.M., Klickitat County, Washington, bears North  $35^{\circ}23'15''$  East 4139.13 feet;

Thence South  $88^{\circ}20'$  West 50.00 feet to a  $\frac{1}{2}''$  I.P. for a corner;

Thence South  $01^{\circ}40'$  East 75.00 feet to a  $\frac{1}{2}''$  I.P. for a corner;

Thence North  $88^{\circ}20'$  East 50.00 feet to a  $\frac{1}{2}''$  I.P. for a corner;

Thence North  $01^{\circ}40'$  West 75.00 feet to the point of beginning.

The herein described tract of land to contain 0.09 acres of land, more or less.

## PART 4—SKAMANIA COUNTY

## DIVISION ONE: MAIN TRANSMISSION PIPE LINE

- (1) Main Transmission Pipe Line, commonly called "Ignacio, Colorado to Dumas, Washington Line", a segment of which is located in Skamania County, Washington.

38.502 Miles of 26-inch Pipe Line

Beginning on the County Line between Klickitat County and Skamania County, Washington, on the north boundary and in the North Half of the Northeast Quarter ( $N\frac{1}{2}NE\frac{1}{4}$ ) of Section 4, Township 3 North, Range 10 East, W.M., thence in a southwesterly direction;

Continuing thence in Skamania County in a westerly direction across Sections 4, 5 and 6, Township 3 North, Range 10 East, W.M., to a point on the west boundary of said Section 6, distant 925.0 feet south of the northwest corner of said Section 6;

Continuing thence in a southwesterly direction across Sections 1, 2, 3, 4, 5, 6 and 7, Township 3 North, Range 9 East, W.M., to a point on the west boundary of said Section 7, distant 213.0 feet south of the west quarter corner of said Section 7;

Continuing thence in a southwesterly direction across Section 12, 13, 14, 23, 22, 21, 28, 29, 30 and 31, Township 3 North, Range 8 East, W.M. (crossing State Highway No. 20 in the South Half of the Northeast Quarter ( $S\frac{1}{2}NE\frac{1}{4}$ ) of said Section 29), to a point on the west boundary of said Section 31, distant 164.0 feet south of the northwest corner of said Section 31;

Continuing thence in a southwesterly direction across Section 36, Township 3 North, Range  $7\frac{1}{2}$  East, W.M., to a point on the west boundary of said Section 36, distant 975.0 feet south of the northwest corner of said Section 36;

Continuing thence in a southwesterly direction across Sections 36 and 35, Township 3 North, Range 7 East, W.M., to a point on the south boundary of said Section 35, distant 2,450.0 feet west of the southeast corner of said Section 35;

Continuing thence in a southwesterly direction across Sections 2, 3, 10, 9, 18, 17, 20 and 19, Township 2 North, Range 7 East, W.M., to a point on the west boundary of said Section 19, distant 75.0 feet north of the northwest corner of said Section 19;

Continuing thence in a southwesterly direction across Sections 24, 25, 26, 27, 28, 29, 32 and 31, Township 2 North, Range 6 East, W.M., to a point on the west boundary of said Section 31, distant 562.0 feet south of the west quarter corner of said Section 31;

Continuing thence in a westerly and southwesterly direction across Sections 38, 35, 34 and 33, Township 2 North, Range 5 East, W.M., to a point on the south boundary of said Section 33, distant 1,700.0 feet west of the southeast corner of said Section 33;

Continuing thence in a westerly direction across Sections 4, 5 and 6, Township 1 North, Range 5 East, W.M. (crossing State Highway No. 8-15 in the Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 5), to a point on the West boundary of said Section 6, distant 240.0 feet South of the Northwest corner of said Section 6 which point is also on the County Line between Skamania County and Clark County, Washington;

together with the following recorded rights and easements:

Co. Rec. No.	Grantee	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
30621	Gryce G. Read, et ux.	10-12-55	4	3N	10E	40 384
30622	Broughton Lumber Co.	8-22-56	4	3N	10E	42 461
30632	S.D.S. Lumber Co.	11- 5-55	4	3N	10E	40 382
30633	S.D.S. Lumber Co.	11- 5-55	5	3N	10E	40 386
30634	Harold J. Broughton, et al	11- 9-55	6	3N	10E	
			8	3N	9E	40 401
			5	3N	9E	
			9	3N	9E	
			10	3N	9E	
			6	3N	9E	
			4	3N	9E	
30636	Harold J. Broughton, et al	11- 9-55	7	3N	9E	
			6	3N	10E	40 388
			11	3N	9E	40 390
30635	Harold J. Broughton, et al	11- 9-55	3	3N	9E	
			2	3N	9E	
			1	3N	9E	



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Co. Reg. No.	Grantor	Grant Date	Sec.	Trp.	Vol.	Recorded Date	Page
30637	Clair Vaughn, et al	1-3-56	7	3N	8E	41	353
30638	The Long Bell Lumber Co.	1-25-56	13	3N	8E	41	371
32378	State of Washington State Forest Board	10-11-56	13	3N	8E	43	394
30639	Fred G. Larson, et ux	3-7-57	14	3N	8E	43	399
30640	Fred G. Larson, et ux	12-7-55	14	3N	8E	41	353
30642	John E. Larson, et ux	9-30-57	14	3N	8E	44	395
30641	John E. Larson, et ux	11-30-55	14	3N	8E	41	392
30643	William F. Larson, et ux	10-14-55	14	3N	8E	40	400
30644	Longview Fibre Co.	1-23-56	23	3N	8E	41	157
			20	3N	8E		
			17	2N	7E		
			19	2N	7E		
30645	Vonnie C. Harvey, et ux.	10-10-55	23	3N	8E	40	407
30646	Crown Zellerbach Corp.	3-10-56	22	3N	8E	42	453
30647	James William Kelly, et al	11-26-55	22	3N	8E	40	411
30649	Neil Parlier	1-7-55	22	3N	8E	41	67
30650	Amedeo D. St. Martin	3-14-56	22	3N	8E	41	276
31919	Amos D. Reid, et al	2-23-56	21	3N	8E	41	272
31917	Sidney O. St. Martin	3-1-56	21	3N	8E	41	281
31916	Helena J. Meyer	2-21-56	21	3N	8E	41	284
31915	Darlene Yvonne Cain	2-29-56	21	3N	8E	41	286
31918	Amedeo D. St. Martin	3-14-56	21	3N	8E	41	268
31910	Sidney O. St. Martin	3-15-56	21	3N	8E	41	282
31911	Feliste St. Martin	3-8-56	21	3N	8E	41	294
31912	Margaret Joan Miller	3-7-56	21	3N	8E	41	292
31913	East M. Birchall	3-2-56	21	3N	8E	41	290
31914	Arnold Jefferies	2-29-56	21	3N	8E	41	283
31906	Katherine Haines	2-22-56	21	3N	8E	41	300
31907	Robert C. Bensley	2-22-56	21	3N	8E	41	302
31908	Maud Z. Roberts	2-23-56	21	3N	8E	41	298
31909	Oren R. Richards	3-9-56	21	3N	8E	41	296
31920	Hughie St. Martin	2-25-56	21	3N	8E	41	252
31921	Eli Davitt St. Martin	3-1-56	21	3N	8E	41	256
31922	Robert Jefferies	2-25-56	21	3N	8E	41	260
31923	Eli P. Kelley, et al	2-11-56	21	3N	8E	41	236
31924	Grace Sauls	3-6-56	21	3N	8E	41	264
31925	Court D'cree of Approp.	3-19-56	21	3N	8E	41	323
30651	J. W. Kelley, et ux	11-6-55	22	3N	8E	40	422

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Ca. No.	Grant	Date of Grant	Ege.	Two	Reg.	Recorded Book	Page
30552	Thomas O. Monaghan, et al	1-21-56	28	3N	8E	41	200
31927	Mauda Roberts	3-12-56	28	3N	8E	41	248
30557	Harley A. Selby, et ux	1-20-56	28	3N	8E	41	163
30554	Jos Bluttler, et ux	3-16-56	28	3N	8E	41	412
30555	Jos Bluttler, et ux	12-16-55	28	3N	8E	41	69
30556	Harold Ellison, et ux	10-17-55	28	3N	8E	40	421
30557	Nellie B. Cushman	10-24-55	28	3N	8E	40	419
30558	Elmina Dupree	11- 5-55	28	3N	8E	40	426
35756	Henry Peyrollaz, et ux	10-21-55	28	3N	8E	41	165
30559	Hugh Jarvin, et ux	1- 6-56	29	3N	8E	41	168
30560	Fred A. Carstensen, et ux	1-23-56	29	3N	8E	40	432
30561	Arnold F. Beaudry, et ux	11-23-55	29	3N	8E	40	430
30562	Lawrence A. Beaudry, et ux	11-22-55	29	3N	8E	40	430
30563	Rex Raymond Hargadine, et ux	10-21-55	29	3N	8E	40	434
30564	Ray L. Mallicott, et ux	10-28-55	29	3N	8E	40	438
30565	J. A. Robbins, et ux	12-15-55	29	3N	8E	41	74
30566	Roy V. Leonard, et ux	12-19-55	30	3N	8E	41	76
30567	Oliver Wright Harris, Est.	12-28-55	31	3N	8E	42	162
30568	Stanley Dodge	10-24-55	35	3N	7 1/2 E	40	440
30569	Ronda Lundy, et vir	10-25-55	36	3N	7 1/2 E	40	442
30670	Leo R. Moore, Jr., et al	11-21-55	36	3N	7 1/2 E	40	446
30671	Jeanette B. Rollins	1- 5-56	36	3N	7 1/2 E	41	78
30672	Ronda Lundy, et vir	10-25-55	36	3N	7 1/2 E	40	444
30673	Ignacio State Bank	11-25-55	36	3N	7 1/2 E	40	448
30674	Frank A. Wackler, et al	1- 5-56	36	3N	7 1/2 E	42	160
30675	Al S. Keller	12-13-55	36	3N	7 1/2 E	41	80
30676	Bud J. Morby, et al	10-25-55	36	3N	7 1/2 E	40	452
30679	Albert Anilvik, et ux	12-12-55	36	3N	7 1/2 E	41	84
30680	E. P. Ash, et ux	12- 8-55	36	3N	7 1/2 E	41	82
30681	Walter C. Quoss, et ux	1- 1-56	35	3N	7 1/2 E	41	86
30682	Eugene W. Smith, et al	12- 7-55	36	3N	7E	41	92
30683	Melvin Lillegard, et al	12-12-55	35	3N	7E	41	88
30684	Harry W. Cameron, Jr., et ux	12-10-55	36	3N	7E	41	94

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Co. Rec. No.	Grantor	Date of Grant	Sec.	Trp.	Page	Recorded Book Page
30685	Macey Neece, et ux	11- 1-55	36	3N	7E	40 454
30686	Henry P. Zachomler	11- 1-55	36	3N	7E	40 456
30687	Richard L. Lucas, et ux	1- 6-56	36	3N	7E	41 170
30688	Samuel Harry Sharp, et ux	1- 6-56	36	3N	7E	41 403
30689	Michael N. Piper, et al	1-17-56	36	3N	7E	43 171
30690	Katherine G. Erb, et vir	1-30-56	36	3N	7E	41 365
30691	Patrick Morey, et al	2- 4-56	36	3N	7E	41 367
30692	Court Decree of Approp.	3- 5-56	36	3N	7E	41 238
30693	Willis L. Berthaus, et ux	12-17-55	36	3N	7E	41 90
30694	Jessie V. Allhands, et al	11-20-55	36	3N	7E	40 458
30695	T. H. Esbenshade, et ux	11-30-55	35	3N	7E	40 460
30696	Esson H. Smith, et al	12-16-55	35	3N	7E	42 163
30697	Alvin J. Chanad, et ux	12- 9-55	35	3N	7E	41 99
30698	Stevenson Lumber Co.	1- 7-56	35	3N	7E	41 97
30699	Jasper G. Bell	3- 6-56	2	3N	7E	41 369
30701	Merle Talent, et ux	11-30-55	3	2N	7E	40 462
			2	2N	7E	
			11	2N	7E	
30702	Ernest Olson, et al	12-13-54	2	2N	7E	41 107
			3	2N	7E	
			10	2N	7E	
			11	2N	7E	
30703	U.S. Dept. of the Army	10-27-59	10	2N	7E	46 445
30704	Ora Rankin, et ux	2- 1-56	4	2N	7E	41 388
			9	2N	7E	
38513	Dept. of Natural Resources	9- 1-62	9	2N	7E	4 212
30705	Oliver D. Knoles, et ux	12-14-55	17	2N	7E	41 111
30706	Oliver D. Knoles, et ux	12-14-55	9	2N	7E	41 104
			16	2N	7E	
32398	Dept. of Natural Resources	12-16-58	16	2N	7E	45 599
30708	W. R. Shores, et ux	11- 2-55	16	2N	7E	40 465
			17	2N	7E	
			20	2N	7E	
30749	Myrtle Belle Moffett	1- 9-56	17	2N	7E	42 177
30750	R. V. Carpenter, et ux	10-31-55	17	2N	7E	40 469
			20	2N	7E	
30751	Raymond P. McCarthy, et ux	4-16-56	19	2N	7E	42 208
30752	Walter J. Warren, et ux	5-22-56	19	2N	7E	42 206
30753	George C. Gunia, et ux	12-21-55	19	2N	7E	41 114

## (2) North Bonneville Meter Station

That certain Meter Station located in the Northwest Quarter of the Southwest Quarter (NW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 16, Township 2 North, Range 7 East, W.M., Skamania County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
41141	Wm. F. Howard, et ux	9-22-65	16	2N	7E	55 54

## (3) Stevenson No. 1 Meter Station

That certain Meter Station located in the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 35, Township 3 North, Range 7 East, W.M., Skamania County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32498	Stevenson Lumber Company	2-1-59	35	3N	7E	46 44

## (4) Stevenson No. 2 Meter Station

That certain Meter Station located in the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 36, Township 3 North, Range 7 East, W.M., Skamania County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
39737	Wm. F. Howard, et ux	2-3-64	36	3N	7E	52 337

## DIVISION THREE: OTHER LANDS OWNED BY COMPANY

## Lands Purchased Primarily for Pipe Line Right Of Way

## (1) Fee Right of Way for Ignacio-Suman Line.

1.870 acres of land, more or less, being a portion of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 21, Township 3 North, Range 8 East, W.M., Skamania County, Washington, more



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particularly described in Bargain and Sale Deed from Kathrine Haines, et al, to Pacific Northwest Pipeline Corporation, dated February 22, 1956, recorded in Book 41, Page 300, Deed Records of Skamania County, Washington, to which deed and the record thereof reference is here made.

(2) Fee Right of Way for Pipe Line Right of Way.

0.63 acres of land, more or less, being a portion of the East one-half of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter ( $E\frac{1}{2}NE\frac{1}{4}NW\frac{1}{4}NE\frac{1}{4}$ ) of Section 28, Township 8 North, Range 8 East, W.M., Skamania County, Washington, more particularly described in Warranty Deed from Maude V. Roberts to Pacific Northwest Pipeline Corporation, dated March 13, 1956, recorded in Book 41, Page 248, Deed Records of Skamania County, Washington;

Saving and excepting that portion thereof sold and conveyed to Stevenson Lumber Company by Special Warranty Deed, dated August 10, 1959.

DIVISION FOUR: FEE PROPERTIES

- (1) R/W 551211 G-1648A Fee Right of Way for Ignacio to Sumas Line 27.8% interest in and to the following described property

A strip of land 75 feet in width, being  $37\frac{1}{2}$  feet on either side of a staked line in the Southeast Quarter of the Southeast Quarter ( $SE\frac{1}{4}SE\frac{1}{4}$ ) of Section 21, Township 3 North, Range 8 East, W.M., said staked line being surveyed and described as follows:

Beginning at a point on the East boundary line of the said Section 21 from which the Southeast Corner thereof bears in a southerly direction along said East boundary line 560 feet;

Thence, South  $55^{\circ} 32'$  West 660 feet, to a point;

Thence, South  $60^{\circ} 32'$  West 430 feet, to the point of exit from subject property in the South boundary line of said Section 21 from which the Southeast Corner thereof bears in an easterly direction along said South boundary line 930 feet;

- (2) R/W 551211 G-1650A Fee Right of Way for Ignacio to Sumas Line

A tract of land out of the East Half of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter ( $E\frac{1}{2}NE\frac{1}{4}NW\frac{1}{4}NE\frac{1}{4}$ )

of Section 28, Township 3 North, Range 8 East, W.M., described as follows;

A tract of land being 75 feet in width measured 37.5 feet to either side of a line as actually surveyed and as hereinafter described.

Beginning at a point on the East line of the NW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 28, Township 3 North, Range 8 East, of the Willamette Meridian, Skamania County, Washington, from which the NE Corner of said NW $\frac{1}{4}$  of the NE $\frac{1}{4}$  bears in a northerly direction 186 feet, more or less, said corner being in the centerline of a Section line County road (Asphalt);

Thence, South 60° 45' West—61 feet to a point;

Thence, South 57° 50' West—132 feet to a point;

Thence, South 68° 35' West—40 feet to a point;

Thence, South 78° 38' West—84 feet to a point on the West line of the E $\frac{1}{2}$  of the NE $\frac{1}{4}$  of the NW $\frac{1}{2}$  of the NE $\frac{1}{4}$  of said Section 28, from which the NW Corner of said E $\frac{1}{2}$  of the NE $\frac{1}{4}$  of the NW $\frac{1}{2}$  of the NE $\frac{1}{4}$  of Section 28 bears in a northerly direction 338 feet, said NW Corner being in the centerline of a Section line County road (Asphalt).

(3) R/W 65031 Carson Meter Station

A tract of land in the E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 28, Township 3 North, Range 8 East, W.M., more particularly described as follows:

Beginning at a point where an iron pin has been set for the Northeast Corner of the tract of land herein described, which point bears South 44°39' West a distance of 346.2 feet from the Northeast Corner of NW $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 28;

Thence, South 1°10' East a distance of 30.00 feet;

Thence, South 78°38' West a distance of 40.61 feet;

1.39

Thence, North  $1^{\circ}10'$  West a distance of 87.02 feet;

Thence North  $88^{\circ}50'$  East a distance of 40.00 feet to the point of beginning, containing 0.03 acres, more or less.

(4) R/W 64567 North Bonneville Meter Station

A tract of land in Government Lot #9, Section 16, Township 2 North, Range 7 East, W.M., Skamania County, Washington, more particularly described as follows:

Beginning at a point which bears South  $89^{\circ}49'35''$  East 611.31 feet along the North line of the B.B. Bishop D.L.C. No. 39, and North  $45^{\circ}18'27''$  East 569.54 feet from the Northwest Corner of said land claim;

Thence, South  $44^{\circ}41'33''$  East 115.00 feet;

Thence, North  $45^{\circ}18'27''$  East 40.00 feet;

Thence, North  $44^{\circ}41'33''$  West 115.00 feet;

Thence, South  $45^{\circ}18'27''$  West 40.00 feet to the point of beginning, containing 0.106 acres, more or less.

Excepting therefrom all oil, gas and other minerals lying in and under said land as heretofore reserved in Warranty Deed recorded October 20, 1964, in Book 53, page 287, Deed Records of Skamania County, Washington.

PART 5--YAKIMA COUNTY

DIVISION ONE: MAIN TRANSMISSION PIPE LINE BRANCH

(1) Main Transmission Pipe Line Branch, commonly called "Wenatchee Line", a segment of which is located in Yakima County, Washington.

16.342 Miles of 8 $\frac{1}{2}$ -inch Pipe Line

40.758 Miles of 10 $\frac{3}{4}$ -inch Pipe Line

Beginning at a point on the County Line between Benton County and Yakima County, Washington, which point is 1,694.0 feet north of the west quarter corner of Section 30, Township 9 North, Range 24 East, T. 9 N. and on the east boundary in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 25, Township 9 North, Range 23 East, W.M., thence in a northwesterly direction;

Continuing thence in Yakima County in a northwesterly direction across Sections 25, 24, 13, 14, 15, 10, 9, 8, 7 and 6, Township 9 North, Range 23 East, W.M. (crossing the N.P.R.R. in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of said Section 25, U.S. Highway 410, State Highway No. 3, and the U.P.R.R. in the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of said Section 24, U.S. Highway 410 and the N.P.R.R. in the Northwest Quarter of the Northeast Quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$ ) of said Section 15), to a point on the west boundary of said Section 6, distant 112.0 feet south of the west quarter corner of said Section 6;

Continuing thence in a northwesterly direction across Sections 1 and 2, Township 3 North, Range 22 East, W.M. (crossing the U.P.R.R. in the North Half of the Northwest Quarter (N $\frac{1}{2}$ NW $\frac{1}{4}$ ) of said Section 1), to a point on the north boundary of said Section 2, distant 938.0 feet west of the northeast corner of said Section 2;

Continuing thence in a northwesterly direction across Sections 35, 34, 27, 28, 21, 20, 19 and 18, Township 10 North, Range 22 East, W.M. (crossing the N.P.R.R. and State Highway No. 3 in the Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 28 and U.S. Highway 410 on the Section Line between said Sections 19 and 18), to a point on the west boundary of said Section 18, distant 1,832.0 feet north of the southwest corner of said Section;



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Continuing thence in a northwesterly direction across Sections 13, 14, 11, 10 and 3, Township 10 North, Range 21 East, W.M., to a point on the north boundary of said Section 3, distant 600.0 feet east of the northwest corner of said Section 3;

Continuing thence in a northwesterly direction across Sections 34, 33, 28, 29, 20, 19 and 18, Township 11 North, Range 21 East, W.M., to a point on the west boundary of said Section 18, distant 911.5 feet north of the southwest corner of said Section 1;

Continuing thence in a northwesterly direction across Sections 13, 12, 11, 10, 3, 4 and 5, Township 11 North, Range 20 East, W.M., to a point on the north boundary of said Section 5, distant 38.4 feet west of the northeast corner of said Section 5;

Continuing thence in a northwesterly direction across Sections 32, 31 and 30, Township 12 North, Range 20 East, W.M., to a point on the west boundary of said Section 30, distant 621.5 feet north of the west quarter corner of said Section 30;

Continuing thence in a northwesterly direction across Sections 25, 24, 23, 14, 15, 10, 3 and 4, Township 12 North, Range 19 East, W.M., to a point on the north boundary of said Section 4, distant 400.0 feet west of the northeast corner of said Section 4;

Continuing thence in a northerly direction across Sections 34, 27, 28, 21, 16, 17, 8 and 5, Township 13 North, Range 19 East, W.M. (crossing State Highway No. 11-A (New) in the Northeast Quarter of the Northwest Quarter ( $NE\frac{1}{4}NW\frac{1}{4}$ ) of said Section 34, State Highway No. 11-A (Old) on the East-West mid Section Line of said Section 27 and the N.P.R.R. in the Northeast Quarter of the Northeast Quarter ( $NE\frac{1}{4}NE\frac{1}{4}$ ) of said Section 28), to a point on the north boundary of said Section 5, distant 890.0 feet west of the northeast corner of said Section 5;

Continuing thence in a northerly direction across Sections 32, 29, 20, 19, 18, 7 and 6, Township 14 North, Range 19 East, W.M. (crossing U.S. Highway 97 in the Northeast Quarter of the Northwest Quarter ( $NE\frac{1}{4}NW\frac{1}{4}$ ) of said Section 29, the N.P.R.R. in the Northeast Quarter of the Northeast Quarter ( $NE\frac{1}{4}NE\frac{1}{4}$ ) of said Section 19 and the Yakima River in the Southeast Quarter of the Southeast Quarter ( $SE\frac{1}{4}SE\frac{1}{4}$ ) of said Section 18), to a point on the west boundary of said Section 6, distant 117.5 feet north of the southwest corner of said Section 6;

Continuing thence in a northwesterly direction across Section 1, Township 14 North, Range 18 East, W.M., to a point on the north boundary of said Section 1, distant 2,617.0 feet west of the northeast corner of said Section 1;

Continuing thence in a northwesterly direction across Sections 26, 25, 26, 23, 14, 11, 10 and 3, Township 15 North, Range 18 East, W.M., to a point on the north boundary of said Section 3, distant 637.0 feet east of the north quarter corner of said Section 3, which point is also on the County Line between Yakima County and Kittitas County, Washington;

together with the following recorded rights and easement:

Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
32943	Carl Vollmer, et ux	9-17-55	25	9N	23E	553	296
32944	Gordon H. Miller, et ux	10-7-55	25	9N	23E	554	274
32945	Henry Mitzel, et ux	9-23-55	25	9N	23E	554	272
32946	John H. Marble, et ux	9-26-55	24	9N	23E	554	268
32947	Ruth M. Colvin	9-14-55	24	9N	23E	553	118
32948	Marie E. Warne	8-2-55	24	9N	23E	550	133
32950	Gilbert N. Bonle, et al	8-1-55	24	9N	23E	550	500
32951	Milo J. Wolcott, et ux	8-2-55	24	9N	23E	554	270
32952	R. L. Whitney, et ux	9-17-55	24	9N	23E	553	208
32953	Louis Jo Byrd, et al	9-14-55	24	9N	23E	554	345
32954	Doris Brulotte	9-14-55	13	9N	23E	553	120
32955	John H. Neergaard, et ux	10-20-55	13	9N	23E	554	361
32956	Norman R. Fisher, et ux	9-15-55	13	9N	23E	553	212
32957	George Meyer, et ux	9-14-55	13	9N	23E	553	122
32958	Fred M. Strong, et ux	9-19-55	13	9N	23E	554	355
32959	L. W. Miner, et ux	10-18-55	13	9N	23E	554	357
32960	Ray Jamison, et ux	9-10-55	13	9N	23E	553	204
32961	Jacob Meyer	1-21-56	13	9N	23E	558	712
32962	Alce G. Howat, et ux	9-17-55	14	9N	23E	554	351
32963	Alice M. Lovelace	10-3-55	14	9N	23E	554	353
32964	S. R. Vining, et ux	9-14-55	14	9N	23E	553	116
32965	C. L. Noble, et ux	9-14-55	14	9N	23E	553	114
32966	Ivan O. Walker, et al	8-2-55	14	9N	23E	553	233
32967	Fred G. Webb, et ux	4-4-57	14	9N	23E	569	478
32968	Wilmer W. Bartram, et ux	8-2-55	15	9N	23E	553	174
32969	Frances Forrest, et vir	8-8-55	15	9N	23E	550	141
32970	Anna Fillera	5-9-56	15	9N	23E	560	323
32972	George W. Higgins, et al	8-15-55	10	9N	23E	553	321
32973	George W. Higgins, et al	8-15-55	9	9N	23E	550	143

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
32974	Elizabeth R. Puterbaugh	8- 4-55	9	9N	23E	550	150
32975	Frances L. Higgins Inman, et al	8- 2-55	9	9N	23E	555	636
32976	Kenneth N. Hill, et al	8- 8-55	9	9N	23E	550	147
32977	William Jean Meiser, et al	8- 6-55	9	9N	23E	550	505
32978	Bobby G. Camp, et ux	9-19-55	9	9N	23E	553	297
32979	W. C. Den Boer, Jr., et ux	9- 5-55	9	9N	23E	553	295
32980	Leonard Den Boer, et ux	8- 5-55	9	9N	23E	550	145
32981	Joe Walker, et ux	8- 6-55	8	9N	23E	550	129
32982	C. L. Hanson, et ux	8- 9-55	8	9N	23E	550	200
32983	S. W. Norton, et ux	8- 9-55	8	9N	23E	550	198
32984	Clara M. Gibbs	8-25-55	8	9N	23E	550	518
32985	C. M. Wisner, et al	8- 9-55	8	9N	23E	553	229
32986	Carl Krumnick, et ux	8- 8-55	8	9N	23E	550	196
32987	Robert L. Dickson, et al	8-10-55	8	9N	23E	550	194
32988	Roy Nower	12-20-55	8	9N	23E	555	642
32989	Calvin J. Cox, et ux	10- 8-55	8	9N	23E	554	262
32990	Donald C. Licath	8-10-55	7	9N	23E	550	188
32991	T. J. Schilper et ux	8- 9-55	6	9N	23E	553	216
32992	Hubert Ben, et ux	11-11-55	6	9N	23E	554	264
32993	V. Todd Bore et ux	12-13-55	6	9N	23E	555	640
32994	Clifford L. Brown, et ux	9- 2-55	6	9N	23E	553	218
32995	Theodore Guderian, et ux	8- 5-55	1	9N	22E	550	184
32996	Theodore Guderian, et ux	9- 1-55	1	9N	22E	553	162
32997	Sarah J. Highfill	8- 5-55	1	9N	22E	558	771
32998	John E. McLean, et ux	8- 5-55	1	9N	22E	550	178
32999	Walter Kilderbrand, et ux	8- 9-55	1	9N	22E	550	182
33000	David K. Holdeman, et ux	8- 5-55	1	9N	22E	550	180
33001	Eric Frostrup, et ux	9-13-55	1	9N	22E	553	214
33002	Frank C. Asselstine	8-24-55	2	9N	22E	554	339
35786	Raymond Berg, et ux	8- 9-55	2	9N	22E	550	174
35788	Ralph McCulloch, et ux	8-19-55	35	10N	22E	550	516
33003	L. V. Conklin, et ux	8-15-55	35	10N	22E	550	162
33004	Jasper H. Trusley, et ux	8-30-55	35	10N	22E	553	253
33005	Eta G. Shafer, et ux	8-11-55	35	10N	22E	550	170
33006	Jessie C. Griffith, et ux	8-15-55	35	10N	22E	550	164
33007	C. D. Eckstein, et ux	8-13-55	35	10N	22E	550	168
33008	Ross E. Asselstine, et ux	8-13-55	35	10N	22E	550	166
33009	Ross E. Asselstine, et ux	8-13-55	34	10N	22E	550	507
33010	J. F. Matthew, et ux	8-12-55	35	10N	22E	550	170
33011	W. S. Barnard, et ux	8-11-55	34	10N	22E	550	154

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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book	Page
33012	Zorah B. Langford	3- 1-55	34	10N	22E	568	773
33013	Thaddeus S. Hall	3- 1-55	34	10N	22E	568	775
33014	W. S. Barnard, et al	8-11-55	34	10N	22E	550	159
33015	A. J. Penney, et ux	8-18-55	34	10N	22E	550	513
33016	Lyle W. Heffron, et ux	9-26-55	34	10N	22E	554	359
33018	William B. Bridgman, et ux	1- 6-55	34	10N	22E	555	638
33019	Bernard C. Voss, et al	9- 5-55	34	10N	22E	565	108
33020	George A. Lewis, et al	8-16-55	34	10N	22E	550	511
33021	Thaddeus S. Hall	14-56	34	10N	22E	565	723
33022	Arthur R. Tosh, et ux	18-56	34	10N	22E	558	595
33023	Lance S. Rittel, et ux	8-16-55	34	10N	22E	550	202
33024	Floyd L. Rinehold, et al	8-16-55	34	10N	22E	550	156
33025	Lloyd G. Jones, et ux	8-12-55	27	10N	22E	550	125
33026	Donald Bos, et al	11-10-55	27	10N	22E	554	276
33027	Metropolitan Mortgage & Securities Co., Spokane	8-25-55	28	10N	22E	553	287
33028	Mary Lou Gais, et vir	9-30-55	28	10N	22E	583	621
33029	Lois L. Hrasford, et ux	8-13-55	28	10N	22E	550	119
33030	Mark Seeley, et ux	8-15-55	28	10N	22E	550	127
33031	Harry R. Patton, et al	8-15-55	28	10N	22E	550	462
33032	Harry R. Patton	8-12-55	28	10N	22E	550	123
33033	Robert D. Eshelman, et ux	8-18-55	28	10N	22E	550	498
33034	Earl H. Miller, et ux	8-12-55	28	10N	22E	550	121
33035	Lennie Halsey, et ux	8-11-55	21	10N	22E	550	117
33036	Fern M. Bolton	8-11-55	20	10N	22E	550	115
33037	Jim H. Nicholas, et ux	2-14-56	20	10N	22E	558	601
33038	Mildred A. Parich	9-26-55	20	10N	22E	554	280
33039	Ronald O. Lund, et ux	8-31-55	20	10N	22E	553	283
33040	Court Decree, Mark Meyers, et al	2- 6-56	19	10N	22E	591	614
33041	C. Oscar Magnuson, et ux	1-17-56	20	10N	22E	558	598
33042	Francis June Simmons, et ux	8-16-55	19	10N	22E	550	113
33043	Luther R. Meyer, et ux	8-11-55	19	10N	22E	550	111
33044	John A. McMininee, et ux	1-20-56	18	10N	22E	558	606
33045	James Grover Wright, et al	8-24-55	18	10N	22E	550	496
33046	John A. McMininee, et ux	1-20-56	18	10N	22E	558	611
33047	Carl Edwin Malmgren, et ux	8-12-55	18	10N	22E	550	105
33048	Ralph E. Barr, et ux	8-13-55	18	10N	22E	550	109
33049	W. C. McMininee, et ux	1-20-56	13	10N	21E	558	620



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33050	F. P. Morrow, et ux	8-16-55	13	10N	21E	550	494
33051	James Mark Dills	10-26-55	13	10N	21E	554	282
33052	W. Clayton McMinimee, et ux	1-23-56	13	10N	21E	558	615
33053	Revel N. Sutphin, et ux	8-17-55	13	10N	21E	550	490
33054	N. B. Matson, et al	2-16-56	13	10N	21E	558	627
33057	E. J. Hearron Company, Inc.	2- 2-56	13	10N	21E	558	624
33058	Thomas S. Hudson, et ux	8-17-55	14	10N	21E	550	488
33059	Frank Prucha, et ux	11-28-55	14	10N	21E	555	626
33060	John A. Booth, et al	11-28-55	14	10N	21E	555	604
33061	Caroline L. Barnett, et al	10- 4-55	11	10N	21E	554	288
33062	Elmer Wiggins, et ux	8-19-55	11	10N	21E	550	482
33063	Earl H. Shearer, et ux	8-19-55	11	10N	21E	550	480
33064	Domingus A. Leonardo, et ux	8-20-55	11	10N	21E	550	484
33065	John Leonardo, et ux	8-23-55	10	10N	21E	553	281
33066	Elizabeth Aumiller, et al	9- 8-55	3	10N	21E	553	190
33067	Thomas J. Rabie, et ux	8-20-55	3	10N	21E	550	468
33068	Joseph W. Reed, et ux	8-20-55	3	10N	21E	553	275
33069	G. L. Pierce, et al	11-17-55	3	10N	21E	554	290
33070	John D. Struthers, et al	9-16-55	3	10N	21E	553	277
33071	Roberta E. Lucas, et vlr	8-20-55	3	10N	21E	550	470
33072	Albert S. Lucas, et ux	8-20-55	3	10N	21E	550	476
33073	Clyde O. Pearce, et ux	8-22-55	3	10N	21E	550	474
33074	Earl W. Slagg, et ux	8-22-55	3	10N	21E	550	472
33075	William C. Hart, et ux	8-22-55	3	10N	21E	553	279
33076	Virgil Bower, et ux	4-13-56	34	11N	21E	550	319
33077	Lloyd Rinehart, et al	8-22-55	34	11N	21E	550	466
33078	Ray J. Barbee, et al	8-30-55	33	11N	21E	553	188
33079	Gustaf Delamonica, et al	8-22-55	33	11N	21E	550	464
33080	Edward J. Cary, et al	10- 5-55	33	11N	21E	554	295
33081	Virgil Strawn, et al	10- 5-55	33	11N	21E	554	292
33082	Evelyn Rae Strawn	10-25-55	33	11N	21E	554	294
33083	W. H. Pugsley, et al	2-27-56	33	11N	21E	558	629
33084	Joe J. Ernst, et ux	8-31-55	33	11N	21E	553	273
33085	Charles A. Miner, et ux	12- 7-55	28	11N	21E	555	624
33086	Harold Dunsmore, et ux	9- 6-55	29	11N	21E	553	267
33087	T. F. Swank, et ux	11- 1-55	29	11N	21E	554	298
33088	Jesse Nishi, et ux	8-29-55	29	11N	21E	553	269
33089	Harold J. Schrotenboer, et ux	8-29-55	29	11N	21E	553	271

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33090	Robert C. Martin	8-31-55	29	11N	21E	553 235
33091	Vernold J. Zeller, et ux	2-22-55	29	11N	21E	553 632
33092	Harold M. Winckler	8-22-55	9	11N	21E	553 265
33093	Leonard L. Winckler, et ux	8-22-55	19	11N	21E	553 263
33094	Shields K. Wertman, et ux	10-25-55	19	11N	21E	555 622
33095	Ross Morris	10-25-55	19	11N	21E	554 505
33096	Ross Morris	7-20-55	19	11N	21E	554 505
33097	Robert F. Leach, et al	9-10-55	18	11N	21E	553 250
33098	Ella E. Hawkins	10-21-55	18	11N	21E	554 314
33099	Robert G. Martini, et ux	9-10-55	13	11N	20E	553 164
33100	Robert G. Martini, et ux	9-10-55	13	11N	20E	553 226
33101	J. W. Powell, et ux	9- 9-55	13	11N	20E	553 255
35787	L. G. Rambo, et ux	8-29-55	13	11N	20E	553 78
33102	James W. Rashford, et ux	8-29-55	13	11N	20E	553 261
33103	Ralph Nelson, et ux	9- 2-55	13	11N	20E	553 257
33104	Wayne Welch, et ux	9-13-55	13	11N	20E	553 259
33105	California Pacing Corp.	3- 9-55	12	11N	20E	558 633
33106	Forrest W. Johnson, et al	9- 2-55	11	11N	20E	553 177
33107	Timothy C. Kiley, et al	9- 8-55	11	11N	20E	553 180
33108	Floren S. Zirkle, et ux	9-14-55	11	11N	20E	553 80
33109	Floren S. Zirkle, et ux	9-14-55	11	11N	20E	553 82
35074	State of Wash. A-24203	4-26-56	10	11N	20E	560 304
33110	Charles E. Morrison, et ux	10- 7-55	10	11N	20E	554 310
33111	State of Washington, et al M. L. McRamm, A-24203	10-17-55	10	11N	20E	554 312
33112	Carl Bjur, et ux	9- 2-55	3	11N	20E	553 112
33113	Helen S. Cassel	10- 3-55	3	11N	20E	554 316
33114	William C. Leuning, et ux	9- 7-55	4	11N	20E	553 106
33115	Alvin T. Green, et ux	9-30-55	4	11N	20E	554 318
35079	Dept. of Public Lands A-14263	5- 2-56	4	11N	20E	560 302
33116	Valley Rox Orchards, Inc.	9- 8-55	4	11N	20E	553 110
33117	Valley Rox Orchards, Inc.	9- 8-55	4	11N	20E	553 92
33118	Arley Delp, et ux	9- 3-55	4	11N	20E	553 108
33119	Thomas J. Harris, et ux	9-19-55	5	11N	20E	553 104
33120	Anna J. Estes Hamden, et vir	11- 3-55	32	12N	20E	554 320
33121	Nat'l. Bk. of Commerce of Seattle	8-29-55	32	12N	20E	553 246
33122	Kenneth McGuire, et al	9- 3-55	32	12N	20E	553 244
33123	W. L. Rivard, et al	12-14-55	32	12N	20E	555 618

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33124	A. J. Schlicht, et al	9- 1-55	32	12N	20E	553 248
33125	Lewis T. Brooks, et ux	12-19-55	31	12N	20E	555 593
33126	John H. Gray, et ux	12-29-55	31	12N	20E	555 700
33127	George M. Lawton, et ux	2- 4-56	31	12N	20E	558 702
33128	Charles F. Hillker, et ux	1-16-56	31	12N	20E	558 704
33129	Roscoe V. Walker, et ux	1-14-58	30	12N	20E	581 311
33130	Roscoe V. Walker, et ux	12-19-55	30	12N	20E	555 596
33966	The Northern Pacific R.R. Co.	6-27-56	25	12N	19E	569 456
33131	John Van Wyk, et ux	12-21-55	23	12N	19E	555 590
33132	John Van Wyk, et ux	1- 3-56	15	12N	19E	555 574
33133	John Van Wyk, et ux	12-23-55	15	12N	19E	555 576
33134	Percy Aaron, et al	12-21-55	10	12N	19E	555 592
33135	Arthur Aaron, et ux	1-16-56	10	12N	19E	563 226
33136	E. J. LaBree, et ux	12-22-55	10	12N	19E	555 588
33137	John Assink, et ux	12-21-55	10	12N	19E	555 594
33138	Huld. McKelker, et al	2- 1-56	10	12N	19E	558 710
33139	Golda M. Lenberg, et vir	2- 1-56	3	12N	19E	558 708
33140	Walter Brulotte, et ux	12-23-55	4	12N	19E	555 578
33141	Walter Brulotte, et ux	12-23-55	4	12N	19E	555 582
33142	Bessie P. Marsh	1- 6-56	4	12N	19E	555 580
33143	C. C. Smith, et al	12-23-55	4	12N	19E	558 706
33144	Thomas L. Evans, et ux	12-29-55	34	13N	19E	555 586
33145	The National Bank of Commerce of Seattle, et al	2-27-56	34	13N	19E	558 662
33146	Alex Dunnnett, et ux	9- 8-55	34	13N	19E	553 196
33147	Albert A. Bateman, et ux	2-27-56	27	13N	19E	558 664
33148	State of Washington	5-24-56	27	13N	19E	594 41
33149	Raymond A. Meyer, et ux	9-25-56	27	13N	19E	565 110
33150	Raymond A. Meyer, et ux	2-15-56	27	13N	19E	558 666
33151	Donald L. Wilson, et ux	11-28-55	28	13N	19E	555 606
33152	Donald L. Wilson, et ux	11-28-55	27	13N	19E	555 610
33153	Amos H. Waddington, et ux	9- 8-55	28	13N	19E	553 150
33154	Joseph Slavin, et ux	9- 6-55	21	13N	19E	553 166
33155	Lucy Keyn	2-17-56	21	13N	19E	558 643
33156	Wheeler Warren, et al	2-21-56	21	13N	19E	558 646
33162	Cascade Lumber Company	2-21-56	21	13N	19E	558 639
33163	Martha Carbone, et al	9- 8-55	21	13N	19E	554 330
33164	Elfred J. Robertson, et ux	9- 6-55	21	13N	19E	553 168
33165	Beryl M. Mercey, et al	2-16-56	16	13N	19E	558 656

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33166	Aven C. Stone, et ux	2-25-56	16	13N	19E	558	660
33167	William H. Powell, et ux	1-31-56	Lot 21, Blk. 1, Butterfield Suburban Homes				714
33168	John Demson, et ux	11-2-55	Lot 18, Blk. 4, Butterfield Suburban Homes Vol. J				
33169	Halpin B. Maxwell, et ux	2-9-57	17	13N	19E	558	335
33170	Alexander Maxwell	3-8-56	17	13N	19E	558	777
33171	Halpin B. Maxwell, et ux	3-5-56	17	13N	19E	558	716
33172	Jack L. Sisk, et ux	2-9-56	17	13N	19E	558	654
33173	Audrey F. Sisk	2-2-56	17	13N	19E	558	652
46265	Thomas A. Sisk, et al	6-22-70	17	13N	19E	558	650
33174	H. Lloyd Miller, et ux	9-17-55	8	13N	19E	553	441
33256	Yakima Sheep Company	5-9-56	32	14N	19E	560	144
			5	13N	19E		
			8	13N	19E		
33257	City of Yakima	9-7-55	Lots Pomona Hgts. 268 Division No. 14 270 Vol. B, P. B2 257) Inclusive 264) 266)				142
33258	Herman Walker, et ux	12-12-55	32	14N	19E	555	608
33259	Howard Ebbons, et ux	9-9-55	32	14N	19E	553	140
33260	Lou O'Brien	9-16-55	29	14N	19E	553	210
33261	Theodore W. Trepanier, et ux	9-13-55	29	14N	19E	553	136
33262	Amos E. Doud, et ux	3-10-56	29	14N	19E	558	671
33263	B. H. Lotzpeich, et ux	9-9-55	29	14N	19E	553	138
33264	Louie P. Williams, et ux	5-16-56	29	14N	19E	560	314
33265	Amos E. Doud, et ux	3-10-56	29	14N	19E	558	66
33266	L. A. Watlins, et ux	4-5-56	20	14N	19E	558	673
33267	Charles Reid, Jr.	10-28-55	29	14N	19E	554	337
33280	Maryin F. Rathburn, et ux	3-20-56	29	14N	19E	558	678
45131	Albert C. Watlins, et al	4-23-69	29	14N	19E	739	485
45132	Ray E. Schaefer, et al	4-26-69	20	14N	19E	739	483
33231	Joseph Wingard, et ux	9-10-55	20	14N	19E	553	134
33232	L. L. Buchanan, et ux	9-13-55	18	14N	19E	553	223
33233	L. L. Buchanan, et ux	9-13-55	20	14N	19E	553	201
33234	Roy M. Johnson, et ux	9-12-55	18	14N	19E	553	132
			19	14N	19E		
33235	Ad Schmidt, et ux	9-13-55	18	14N	19E	553	220
33236	E. Gale Simpson, et ux	9-12-55	17	14N	19E	553	130
			18	14N	19E		



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Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
33237	Cecil Hustead	9-12-55	18	14N	19E	553 128
33237A	Dulcie Petruso, et al	9-21-55	18	14N	19E	553 126
33240	West Fork Timber Company	1-13-56	3 11 23 25	15N 15N 15N 15N	18E 18E 18E 18E	558 689
33238	Thad Knoerr, et ux	10-20-55	18	14N	19E	554 343
33284	West Fork Timber Company	10-11-56	3 11 23 25	15N 15N 15N 15N	18E 18E 18E 18E	565 104
33241	West Fork Timber Company	1-13-56	6 7	14N 14N	19E 19E	558 681
33428	West Fork Timber Company	10-11-56	6 7	14N 14N	19E 19E	565 106
33215	O. D. Gibson	4- 9-56	1	14N	18E	558 686
35078	Dept. Public Lands #24261	4-30-56	36	15N	18E	560 300
35076	Dept. Public Lands #24258	4-27-56	26	15N	18E	560 298
35081	Dept. Public Lands #24674	7-25-57	14	15N	18E	579 133
35077	Dept. Public Lands #24759	4-27-56	10	15N	18E	560 294
35082	Dept. Public Lands #24260	4-27-56	14	15N	18E	560 296

DIVISION TWO: MAIN BRANCH LINE COMPRESSOR STATION

(1) Zillah Compressor Station

That certain Compressor Station located in the Southwest Quarter of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 11 Township 11 North, Range 20 East, W.M., Yakima County, Washington;

together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
48214	Wm. F. Heward, et ux	1-17-72	11	11N	20E	826 645

**DIVISION THREE: REGULATING AND MEASURING STATIONS,  
OFFICE, WAREHOUSE AND STORAGE SITES**

*Section A — Regulating and Measuring Stations*

**(1) Grandview Meter Station**

That certain Meter Station located in the Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 14, Township 9 North, Range 23 East, W.M., Yakima County, Washington;  
together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32788	Ivan O. Walker, et al	5-10-56	14	9N	23E	560 142

**(2) Granger, Zillah, Toppenish & Wapato Meter Station**

That certain Meter Station located in the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 11, Township 11 North, Range 20 East, W.M., Yakima County, Washington;  
together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32786	Floren S. Zirkle	5-11-56	11	11N	20E	359 246

**(3) Sunnyside Meter Station**

That certain Meter Station located in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$ ) of Section 2, Township 9 North, Range 22 East, W.M., Yakima County, Washington;  
together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32817	Frank C. Asselstine	5-9-56	2	9N	22E	559 247

**(4) Yakima Union Gap**

That certain Meter Station located in the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 16, Township 13 North, Range 19 East, W.M., Yakima County, Washington;  
together with the following recorded deed:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Rng.	Recorded Book Page
32823	Beryl M. Mercy	4-20-56	16	13N	19E	558 365

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## (5) Lambert's Farms Meter Station Site

That certain Meter Station located in the Northeast Quarter of the Southeast Quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$ ) of Section 1, Township 9 North, Range 22 East, W.M., Yakima County, Washington;

together with the following recorded easement:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
49142	Washington Hydroculture, Incorporated	9-12-72	1	9N	22E	854 496

## Section B — Office, Warehouse and Storage Sites

## (1) Yakima Office and Warehouse

That certain Office and Warehouse located in the Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 10, Township 12 North, Range 19 East, W.M., Yakima County, Washington;

together with the following recorded Deeds:

Co. Reg. No.	Grantor	Date of Grant	Sec.	Twp.	Range	Recorded Book Page
35839	J. D. McKelheer, et ux	12-20-60	10	12N	19E	611 773
37749	J. D. McKelheer, et ux	2-19-62	10	12N	19E	624 566

## DIVISION FOUR: FEE PROPERTIES

## (1) R/W 551384 Granger, Zillah, Toppenish, Wapato Sales Meter Site

A tract of land located in the Northwest Quarter of Section 11, Township 11 North, Range 20 East, further described as follows:

The east 175 feet of the west 310.68 feet of the north 50 feet of the south 74 feet of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 11, Township 11 North, Range 20 East, W.M.

## (2) R/W 551383 Grandview Sales Meter Station Site

A tract of land located in the Northwest Quarter of Section 14, Township 9 North, Range 23 East, W.M., described as follows:

The south 100 feet of the north 931.25 feet of the east 50 feet of the west 70 feet of the Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section 14, Township 9 North, Range 23 East, W.M.

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(3) R/W 60796 Yakima Office Warehouse

A tract of land located in the Northwest Quarter (NW¼) of Section 10, Township 12 North, Range 19 East, W.M., described as follows:

Beginning at a point which bears North 88°24' East a distance of 235.13 feet from the northwest corner of said Section 10 along the center line of a county road and South 01°36' East a distance of 25 feet to the South right of way line of said county road; thence, North 88°24' East a distance of 380 feet to a point; thence, South 01°36' East a distance of 343.9 feet to a point; thence, South 88°24' West a distance of 380 feet to a point; thence, North 01°36' West a distance of 343.9 feet to the point of beginning, containing 8.00 acres, more or less.

(4) R/W 551993 Sunnyside Sales Meter Station Site

A tract of land located in the Northeast Quarter (NE¼) of Section 2, Township 9 North, Range 22 East, W.M., described as follows:

The west 50 feet of the east 818.04 feet of the north 150.3 feet of the Northeast Quarter of Section 2, Township 9 North, Range 22 East, W.M., LESS road along the north line thereof.

All of said premises lying easterly of the County Drain.

(5) R/W 551404 Yakima and Union Gap Sales Meter Station Site

A tract of land located in the Southwest Quarter (SW¼) of Section 16, Township 13 North, Range 19 East, W.M., described as follows:

That part of the Southwest Quarter of the Southwest Quarter (SW¼-SW¼) of Section 16, Township 13 North, Range 19 East, W.M., described as follows:

Beginning at the southwest corner of said subdivision; being in the center line of an east-west road along the south line of said subdivision; thence, easterly along the south line of said subdivision 707.8 feet, more or less, to a point 624 feet west of the east line of said subdivision, and the true point of beginning; thence, northerly parallel with the east



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line of said subdivision 145 feet; thence, west parallel with the south line of said subdivision 75 feet; thence, southerly 145 feet parallel with the east line of said subdivision; thence, east 75 feet to the point of beginning. EXCEPT road along the south line thereof.

(6) R/W 71245 Zillah Compressor Station

A tract of land located in the Northwest Quarter (NW $\frac{1}{4}$ ) of Section 11, Township 11 North, Range 20 East, W.M., described as follows:

A 2.250 acre tract of land, more or less, located in the Southwest Quarter of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ ), Section 11, Township 11 North, Range 20 East, W.M., Yakima County, Washington, being more particularly described as follows:

Beginning at a point North 89°42' East a distance of 25.00 feet from the West Quarter corner of said Section 11; thence, North 0°12' East, parallel to the West boundary of said Section 11 a distance of 400.00 feet; thence, North 89°42' East a distance of 235.70 feet; thence, South 0°12' West a distance of 400.00 feet; thence, South 89°42' West, a distance of 235.70 feet to the point of beginning; Excepting therefrom the East 190 feet of the West 310.68 feet of the North 50.0 feet of the South 74.0 feet of the Southwest Quarter of the Northwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of said Section 11.

Subject to all existing easements, rights of way and reservations of record.

SCHEDULE I-I

This Schedule I-I is attached to and hereby made a part of the Indenture of Mortgage and Deed of Trust, dated as of January 31, 1974, by and between Northwest Pipeline Corporation and Chemical Bank and Francis J. Farrell, as Trustees (hereinafter in this Schedule I-I referred to as the Indenture).

This Schedule I-I contains a description of franchises, permits, licenses, consents, encumbrances, privileges, rights of way, grants, surface rights and surface leases (hereinafter referred as rights or interests) referred to in GRANTING CLAUSE FIRST of the Indenture. This Schedule I-I consists of exhibits for each State in which such rights or interests are located.

All references in this Schedule I-I to "Serial" numbers, "Basement No.", "License No.", "DWG. No." or permit numbers refer to the records or files of the state, county, governmental agency or railroad, as the case may be, in the appropriate office of the state, county, governmental agency or railroad creating such right or interest and reference is hereby made to the records in such offices for a more particular description of the rights or interests herein referred to and for all other purposes. All references hereinafter made to "E/W No." are for the convenience of Northwest Pipeline Corporation only and are not intended to describe or identify rights or interests for the purpose of subjecting such rights or interests to the lien of the Indenture.

All instruments hereinafter described or referred to in this Schedule I-I are hereby incorporated herein by reference to the same extent and purpose as though they were set out herein in full, and reference is hereby made to said instruments in said offices for a more complete description of the rights or interests herein referred to and for all other purposes.

To facilitate recording, there are omitted from certain counterparts of the Indenture these descriptions of rights or interests in Exhibits to this Schedule I-I to the Indenture which contain descriptions of rights or interests located in States other than the State in which the particular counterpart of the Indenture is to be recorded. Accordingly, attached to this counterpart of the Indenture is the following Exhibit(s) to Schedule I-I and not others:

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**EXHIBIT F**

A counterpart of the Indenture containing all Exhibits to Schedule I-I of the Indenture is on file at the office of the Corporate Trustee and all such Exhibits to Schedule I-I not attached to this counterpart of the Indenture are hereby incorporated in this counterpart of the Indenture by reference as though specifically set forth herein.

Unofficial  
Copy

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SCHEDULE IX

EXHIBIT F--WASHINGTON

DIVISION ONE: BUREAU OF LAND MANAGEMENT

R/W No.	Project	Serial	Date	County
551211	Ignacio-Sumas Line	W-02277	3- 4-60	Benton
551211	Ignacio-Sumas Line	W-02277	3-18-60	
551211	Ignacio-Sumas Line	W-02277	3- 4-60	Klickitat
551505	Spokane Line	W-02277	3-18-60	Stemania
551505	Spokane Line	W-02277	3- 4-60	Benton
551360	Wenatchee Line	W-02277	3-18-60	Franklin
551360	Wenatchee Line	W-02277	3- 4-60	Benton
551360	Wenatchee Line	W-02277	3-18-60	Chelan
551360	Wenatchee Line	W-02277	3- 4-60	Kittitas
551360	Wenatchee Line	W-02277	3-18-60	Yakima
551506	Hedges Line	W-02277	3- 4-60	Benton
551528	Crotto Line	W-03288	3-18-60	
551528	Crotto Line	W-03288	9-22-59	King
64966	Hedges Loop	W-05714	9-22-59	Snohomish
66055	C.P.S. No. 782	W-02277	4- 5-65	Benton
	(Amend)		6- 4-65	
			8-17-66	Franklin

DIVISION TWO: STATE LANDS

R/W No.	Name	Easement No.	Date
	Adams County		
551505	Spokane Line	24208	4-26-56
551502	Lewiston Line	24679	2- 8-58
551531	Moses Lake Line	24985	2- 8-58
551531	Moses Lake Line	24986	2- 3-58
551531	Moses Lake Line	24987	2- 3-58
67056	Spokane Line	32144	8-24-67



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R/W No.	Name	Basement No.	Date
<b>Benton County</b>			
551050	Spokane Line	24144	4-26-56
551211	Ignacio-Sumas Line	24204	4-26-56
551505	Spokane Line	24201	4-26-56
551360	Wenatchee Line	24217	4-27-56
551505	Spokane Line	24265	5- 2-56
551211	Ignacio-Sumas Line	24279	12-18-56
551360	Wenatchee Line	24729	11-14-57
551475	Access Road to M.L.V. 14-1	25146	5-27-58
551657	Pasco V.H.F. Site	25719	
64966	Hedges Line	30480	4-20-65
69064	Wenatchee Loop	24792	11-18-69
70120	Wenatchee Loop	34901	9-11-70

## Chelan County

551360	Wenatchee Line	24678	5- 7-56 7-25-57
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## Clark County

551535	Portland Line	24155	4-26-56
70149	Ignacio-Sumas Loop (Lewis River)	35130	6-24-71
72049	Ignacio-Sumas Loop	4077	5- 1-56 5- 9-73

## Cowlitz County

551211	Ignacio-Sumas	24214	4-27-56
551211	Ignacio-Sumas	24280	5- 4-56
551211	Ignacio-Sumas	24280 1/2	5- 8-56
551211	Ignacio-Sumas	24281	5- 4-56
551211	Ignacio-Sumas	24306	5- 4-56
551211	Ignacio-Sumas	24320	5- 4-56
551211	Ignacio-Sumas	24374	12-18-56
65127	Astoria Line	30376	6-16-65
70149	Ignacio-Sumas Loop	35130	6-24-71
70165	Ignacio-Sumas Loop	24281 Supp.	4- 1-71
70165	Ignacio-Sumas Loop	24306 Supp.	4- 1-71
70165	Ignacio-Sumas Loop	24280 1/2	4- 1-71
70154	Ignacio-Sumas Loop	35355	6-24-71
70156	Ignacio-Sumas Loop	35551	8-30-71

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R/W No.	Name	Easement No.	Date
<b>Franklin County</b>			
551505	Spokane Line	24206	2- 3-59
551505	Spokane Line	24207	4-26-56
551505	Spokane Line	24266	4-26-55
			5- 7-56
<b>King County</b>			
70101	Ignacio-Sumas Line	34773	5- 7-71
70196	Ignacio-Sumas Loop	35214	5-12-71
70195	Ignacio-Sumas Loop	35356	6-29-71
70169	Ignacio-Sumas Loop	4272 Supp.	4- 1-71
551211	Ignacio-Sumas Line	4272	6-26-56
551509	South Seattle Line	4327	3- 4-57
551211	Ignacio-Sumas Line	24560	5- 7-56
			7- 2-57
<b>Kittitas County</b>			
551211	Ignacio-Sumas Line	24257	5- 9-55
551360	Wenatchee Line	24567	5-24-57
551360	Wenatchee Line	24545	5-23-57
551360	Wenatchee Line	24546	7-25-57
551360	Wenatchee Line	24547	5-24-57
551360	Wenatchee Line	24548	5-24-57
551360	Wenatchee Line	24567	5-24-57
551360	Wenatchee Line	24568	5-24-57
551360	Wenatchee Line	24569	5-21-57
551211	Ignacio-Sumas Line	24675	12-16-58
551360	Wenatchee Line	24677	5- 8-56
			7-25-57
551360	Wenatchee Line	24678	5- 7-56
			7-25-57
<b>Klickitat County</b>			
551211	Ignacio-Sumas Line	24201	5- 7-56
551211	Ignacio-Sumas Line	24202	5- 8-56
551211	Ignacio-Sumas Line	24264	5- 4-56
551211	Ignacio-Sumas Line	26072	2-25-60
621044	Hood River Line	28529	6- 1-63
551211	Ignacio-Sumas Line	4031	6- 1-56
551211	Ignacio-Sumas Line	4032	5- 1-56
551211	Ignacio-Sumas Line	4033	6- 1-56
551211	Ignacio-Sumas Line	4034	6- 1-56
551211	Ignacio-Sumas Line	4147	6- 1-56

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Rev. No.	Name	Assessment No.	Date
Jewell County			
551211	Ignacio-Sumas Line	24213	4-27-56
551211	Ignacio-Sumas Line	24256	4-27-56
70119	Ignacio-Sumas Loop	34827	5-12-71
70167	Ignacio-Sumas Loop	24256 Amend.	4-1-71
551211	Ignacio-Sumas Line	4079	5-1-56
551211	Ignacio-Sumas Line	4117	5-1-56
551211	Ignacio-Sumas Line	4118	5-1-56
551211	Ignacio-Sumas Line	4268	5-1-56
551211	Ignacio-Sumas Line	24281	5-4-56
70166	Ignacio-Sumas	24281 Supp.	4-1-71
Lincoln County			
551505	Spokane Line	24209	4-26-56
Mason County			
61243	Shelton Line	28807	7-1-63
Pierce County			
551211	Ignacio-Sumas Line	24216	4-27-56
551211	Ignacio-Sumas Line	24373	5-8-56
551211	Ignacio-Sumas Line	26099	11-19-59
71210	Ignacio-Sumas Loop	35594	9-24-71
71165	Ignacio-Sumas Loop	35899	8-4-71
Skagit County			
551211	Ignacio-Sumas Line	24411	1-4-57
551211	Ignacio-Sumas Line	24412	1-4-57
69092	Ignacio-Sumas Loop	34591	5-18-70
69087	Ignacio-Sumas Loop	34591	5-18-70
69092	Ignacio-Sumas Loop	70439	8-26-70
551211	Ignacio-Sumas Line	4225	5-1-56
551211	Ignacio-Sumas Line	4226	5-1-56
551211	Ignacio-Sumas Line	4227	5-1-56
551211	Ignacio-Sumas Line	4270	5-1-56
Skamania County			
551505	Spokane Line	Special	5-1-56
551211	Ignacio-Sumas Line	24282	5-4-56
551211	Ignacio-Sumas Line	24353	1-11-57
551211	Ignacio-Sumas Line	24354	1-11-57
551211	Ignacio-Sumas Line	24355	1-11-57
551211	Ignacio-Sumas Line	27707	1-21-63
551211	Ignacio-Sumas Line	2478	10-11-56

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R/W No.	Name	Easement No.	Date
Spokane County			
551528	Grotto Line	25010	10- 1-57
69087	Ignacio-Sumas Loop	34696	11- 1-70
69087	Ignacio-Sumas Loop	34619	5-12-71
70155	Ignacio-Sumas Loop	35256	10-12-71
70169	Ignacio-Sumas Loop	4273 Amend.	4- 1-71
70170	Ignacio-Sumas Loop	4274	4- 1-71
70170	Ignacio-Sumas Loop	24374	4- 1-71
551211	Ignacio-Sumas Line	4273	12-18-56
551211	Ignacio-Sumas Line	4724	5- 1-56
551528	Grotto Line	4720	10- 1-57
Spokane County			
551505	Spokane Line	24210	4-26-56
551505	Spokane Line	24218	4-27-56
551505	Spokane Line	24319	5- 8-56
Thurston County			
551211	Ignacio-Sumas Line	24372	1- 7-57
551510	Olympia Line	24825	5- 5-58
561696	McIntosh Line	25036	7-10-58
61243	Shelton Line	28805	7- 1-63
61243	Shelton Line	28806	7- 1-63
63205	McCleary Line	28843	8-15-63
63205	McCleary Line	28844	8-15-63
63205	McCleary Line	28845	8-15-63
63205	McCleary Line	28846	8-15-63
63205	McCleary Line	28847	8-15-63
63205	McCleary Line	28848	8-15-63
63205	McCleary Line	28849	8-15-63
70193	Ignacio-Sumas Loop	35262	6-24-71
70035	Shelton Line	35645	11-15-71
Whatcom County			
551656	Bellingham VHF Site and Access Rd.	27660	7- 1-59
551211	Ignacio-Sumas Line	32848	3-13-69
551254	Bellingham Line	32849	3-13-69
69088	Ignacio-Sumas Loop	4269	5- 1-56
69088	Ignacio-Sumas Loop	35215	8- 4-71
69088	Ignacio-Sumas Loop	35467	10-29-71
72009	Bellingham Line	32849	8-10-72
551211	Ignacio-Sumas Line	4271	5- 1-56



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R/W No.	Name	Whitman County	Easement No.	Date
551502	Lewiston Line		24380	5-11-56
551502	Lewiston Line		24381	5- 8-56
		Yakima County		
551360	Wenatchee Line		24203	4-26-56
551360	Wenatchee Line		24258	5- 9-56
551360	Wenatchee Line		24259	4-27-56
551360	Wenatchee Line		24261	4-30-56
551360	Wenatchee Line		24263	5- 2-56
551360	Wenatchee Line		24576	4-27-56
551360	Wenatchee Line			7-25-57

DIVISION THREE: HIGHWAY CROSSING PERMITS

R/W No.	Name	Highway	Permit No.	Date
		Adams County		
551505	Spokane Line	State Hwy. 11-E	4-11E-1712	1-30-57
551505	Spokane Line	U. S. 395	4-11-1711	1-31-56
551531	Moses Lake Line	State Hwy. 11	4-11-1931	6-30-57
551531	Moses Lake Line	State Hwy. 11	4-11-1942	8- 8-57
		Benton County		
64966	Hedges Loop Line	State Hwy. 8	U5-311	2-29-65
551211	Ignacio-Sumas Line	State Hwy. 8	2142	2-16-56
551211	Ignacio-Sumas Line	State Hwy. 8	2131	2- 1-56
551506	Hedgus Line	State Hwy. 8	U-5311	3-29-65
551360	Wenatchee Line	State Hwy. 8	2164	4-17-56
551360	Wenatchee Line	State Hwy. 8-E	2128	2- 1-56
551360	Wenatchee Line	State Hwy. 3-A	2147	2-16-56
551505	Spokane Line	State Hwy. 8	2148	2-16-56
551505	Spokane Line	U. S. 410	2119	2- 1-56
69064	Wenatchee Line	State 14	U5-555	7-10-69
551211	Ignacio-Sumas Line	State Hwy. 8	2143	2-16-56
69064	Wenatchee Line	State 221	U5-556	10- 2-69
70120	Wenatchee Line	State 2	U5-608	11- 6-70
551506	Hedgus Line	State Hwy. 8	UC-377	12- 8-59
551290	Access Rd. to Station Number 14	State Hwy. 8	2172	5- 9-56

R/W No.	Name	Highway	Permit No.	Date
		Clark County		
551211	Ignacio-Sumas Line	State 1-S	S-1052	2-17-56
551211	Ignacio-Sumas Line	State 1-U	S-1060	2-16-56
551535	Portland Line	State 1-S	S-1061	2-17-56
551535	Portland Line	State 1-T	S-1063	2-17-56
551535	Portland Line	U.S. 99 & 830	2794	2-15-56
551211	Ignacio-Sumas Line	State Hwy. 8	S-1059	2-16-56
72065	Ignacio-Sumas Loop	State 503	5939	5-3-73
72065	Ignacio-Sumas Loop	State 502	5960	5-3-73
		Cowlitz County		
551211	Ignacio-Sumas Line	State Hwy. 1-S	S-1076	6-4-56
551211	Ignacio-Sumas Line	Material Pit N-88	2828	5-16-56
551211	Ignacio-Sumas Line	State Hwy. 1-R	S-1064	3-12-56
70166	Ignacio-Sumas Loop Line	Material Pit N-68	5613	8-3-71
70166	Ignacio-Sumas Loop Line	State Road 504	5532	3-19-71
70174	Ignacio-Sumas Loop Line	State Road 503	5531	3-19-71
65013	Astoria Line	State Hwy. No. 1	3850	6-29-65
		Franklin County		
551505	Spokane Line	U.S. 395	2146	2-16-56
551505	Spokane Line	State 11	2146	2-16-56
551505	Spokane Line	State 11B	2129	2-1-56
		Grant County		
551531	Moses Lake Line	State 18	1869	12-11-57
551531	Moses Lake Line	State 11-6	1869	8-26-57
		King County		
551211	Ignacio-Sumas Line	State 5B	S-968	3-1-56
551211	Ignacio-Sumas Line	State 5	S-1581	3-27-56
551211	Ignacio-Sumas Line	State 5	Naches 1581	3-1-56
551211	Ignacio-Sumas Line	U.S. 10	S-2259	4-30-56
551211	Ignacio-Sumas Line	State 2	2259	3-2-56
551509	South Seattle Line	State 5-6	Naches S-968	9-23-56
551509	South Seattle Line	State 5	Naches S-1581	6-27-56
70169	Ignacio-Sumas Loop	U.S. 10-90	Enumelaw 3054	6-24-71
70169	Ignacio-Sumas Loop	State 532	Everette 2612	4-7-71
70180	Ignacio-Sumas Loop	State 18	Everette 3058	3-15-71
70180	Ignacio-Sumas Loop	State 169	Everette 3057	9-9-71
67390	Catholic Protection Station	U.S. 2	3598	11-23-64
70180	Ignacio-Sumas Loop	State 516	3056	3-10-71

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R/W No.	Name	Highway Klitas County	Permit No.	Date
551860	Wenatchee Line	State 82	2144	2-16-56
551360	Wenatchee Line	State 82	2149	2-20-56
68000	Wenatchee Line	State 82	U5-534	5-16-68
Klickitat County				
621034	Hood River Line	State 8 & U. S. 830	3644	2-13-63
551211	Ignacio-Sumas Line	State 8D	S-1056	2-16-56
551211	Ignacio-Sumas Line	State 3	2757	10-26-55
551211	Ignacio-Sumas Line	U. S. 97	2766	11- 7-55
551511	The Dalles Line	State 8 & U. S. 830	3100	7-15-55
621034	Hood River Line	State 8	3644	2- 8-63
70150	Ignacio-Sumas	State 142	5636	8-30-71
Lewis County				
70119	Ignacio-Sumas Loop	State Hwy. 505	S-5440	9-55-70
70167	Ignacio-Sumas Loop	State Hwy. 12	S-5530	3-19-71
70167	Ignacio-Sumas Loop	State Hwy. 508	S-5533	3-18-71
551211	Ignacio-Sumas Line	State Hwy. 1-P	S-1065	2-17-56
551211	Ignacio-Sumas Line	State Hwy. 1	S-2795	2-15-56
551211	Ignacio-Sumas Line	State Hwy. 1	S-2796	2-15-56
551211	Ignacio-Sumas Line	State Hwy. 5	S-2797	2-16-56
551211	Ignacio-Sumas Line	State Hwy. 12E	S-1066	2-17-56
551211	Ignacio-Sumas Line	State Hwy. 5K	S-1105	9-19-56
Lincoln County				
551505	Spokane Line	State 2-G	1-26-1715	1-31-56
551505	Spokane Line	State 11-F	4-11F-1713	1-31-56
Mason County				
61243	Shelton Line	State Hwy. 9D	4689	5-17-63
Pierce County				
551211	Ignacio-Sumas Line	U. S. 410	3189	1-18-56
551211	Ignacio-Sumas Line	State 5-E	3190	2- 6-56
551211	Ignacio-Sumas Line	State 5	3195	2- 6-56
551211	Ignacio-Sumas Line	State 5-J	3196	2- 6-56
551211	Ignacio-Sumas Line	State 5-G	3289	7-17-56
551522	Tacoma Line	U. S. 410-State 5	3324	10- 1-56
71165	Ignacio-Sumas Loop	State 162	2733	6- 5-71
71165	Ignacio-Sumas Loop	Wood Bonney Road	U-71-77	6- 7-71
71165	Ignacio-Sumas Loop	U. S. 410	U-71-86	6- 5-71
71165	Ignacio-Sumas Loop	State 5	U-71-86	6- 7-71
71165	Ignacio-Sumas Loop	State 7	U-72-23	1-27-72
71165	Ignacio-Sumas Loop	State 161	U-72-63	5-17-72

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R/W No.	Name	Highway	Permit No.	Date
551211	Ignacio Sumas Line	Skagit County		
69092	Ignacio-Sumas Loop	State Hwy. 17A	S-412	3-2-56
		State Hwy. 20	2505	3-31-70
		Skamania County		
551211	Ignacio-Sumas Line	State 8D	S-1088	2-16-56
551211	Ignacio-Sumas Line	State 8C	S-1057	2-16-56
		Enochmish County		
611259	Grotto Relocation	State 15	Everett 1925	5-28-62
62854	North Seattle Loop	State 1	S-2832	12-10-62
62854	North Seattle Loop	State 2J	Everett 1118	12-18-62
551211	Ignacio-Sumas Line	State 1A	S-644	3-2-56
551508	North Seattle Line	State 1A	S-644 (Supp. 1)	7-17-56
551211	Ignacio-Sumas Line	State 1A	S-644 (Amend. 1)	4-30-56
551211	Ignacio-Sumas Line	State 15	1541	3-2-56
551528	Grotto Line	State 15	1541 (Supp. 2)	7-8-57
551528	Grotto Line	State 15	1541 (Supp. 1)	6-27-57
65986	Grotto Line	State 405	Everett 7-30	5-16-68
67071	North Seattle Loop	State 1A	S-1411	8-14-67
68132	Stanwood Line	State 9	S-1683	6-20-69
68132	Stanwood Line	Interstate 5	E-2426	8-18-69
68132	Stanwood Line	State 530	S-1692	7-7-69
69087	Ignacio-Sumas Loop	State 530	S-1776	4-16-70
70169	Ignacio-Sumas Loop	State 202	Everett 2613	3-15-71
67169	North Seattle Line & Loop	State 5	1305	8-9-71
		Spokane County		
551505	Spokane Line	U. S. 2	1-2-1710	1-31-56
551505	Spokane Line	U. S. 395	1-3-1762	3-21-56
551505	Spokane Line	U. S. 195	1-6-1763	5-21-56
68025	Spokane Line	State 291	1-512-291	12-15-69
		Thurston County		
551510	Shelton Line	State Hwy. 5	3375	3-12-57
70035	Shelton Relocation	State Hwy. 8	4688	7-26-71
61243	Olympia to Shelton	U. S. 410	4688	4-25-63
61243	Olympia to Shelton	U. S. 99	4687	4-25-63
		Walla Walla County		
551513	Walla Walla Line	State Hwy. 3	2130	2-1-56
551402	Walla Walla Meter Sta.	State Hwy. 3	2185	12-12-56



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K/W No.	Name	Highway	Permit No.	Date
		Whatcom County		
551524	Bellingham Line	State Hwy. 1	699	9- 6-56
551211	Ignacio-Sumas Line	State Hwy. 1	699	3-29-56
69088	Ignacio-Sumas Loop	State 542	Bellingham 1236	12-10-70
		Whitman County		
551502	Lewiston Line	State 3, U. S. 95 and 195	2-3-1724	2-28-56
551502	Lewiston Line	U. S. 95	2-3-1723	2-28-56
551502	Lewiston Line	State 3, U. S. 195	2-3-1721	2- 8-56
551502	Lewiston Line	State 3, U. S. 195	2-3-1747	4-27-56
551502	Lewiston Line	State 3, U. S. 295	2-3-1726	2-28-56
		Yakima County		
551360	Wenatchee Line	State Hwy. 11A	2124	1- 1-56
551360	Wenatchee Line	State Hwy. 11A	2125	3-29-56
551360	Wenatchee Line	State Hwy. 3	2145	2-16-56
551360	Wenatchee Line	U. S. 410	2122	2- 1-56
551360	Wenatchee Line	State Hwy. 3	2305	2-21-58
551360	Wenatchee Line	U. S. 410	2120	2- 1-56
551360	Wenatchee Line	State Hwy. 82	2121	2- 1-56
66132	Wenatchee Line	U. S. 97	U-546	7- 1-69

DIVISION FOUR: COUNTY FRANCHISES

County	Date of Franchise
Adams	1- 9-56
Benton	4-16-56
Chelan	4- 2-56
Clark	2-20-56
	12- 7-59
	6-26-61
Cowlitz	3-20-56
	5-18-71 General Permit
Franklin	11- 8-56
Grant	7-29-57
	6-13-64
Grays Harbor	6-17-63
King	4- 5-56
Kittitas	3-23-56
Klickitat	11-19-56
	6-16-58

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County	Date of Franchise
Lewis	1-30-56
Lincoln	2-17-56
Mason	5-27-63
Pierce	4-24-56
	7-24-56
	5-14-56
Skagit	1-23-56
Skamania	8-25-58
	7-16-56
Snohomish	6-21-55
Spokane	6-13-61
	8-10-61
	10- 3-55
Thurston	3- 5-56
Walla Walla	3- 6-56
Whatecom	8-17-56
	4-23-56
Whitman	11-12-68
	3-14-56
Yakima	6-21-56
City of Sumner (City Franchise)	

## DIVISION FIVE: RAILROAD LICENSES

R/W No.	Name	License No.	Date	County
		(1) Burlington Northern Inc.		
70120	Wenatchee Loop	201,852	11- 1-70	Benton
72065	Ignacio-Sumas Loop	Easement and Agreement	3-31-73	Clark
70169	Ignacio-Sumas Loop	203,488	6- 1-71	King
70180	Ignacio-Sumas Loop	203,423	5- 1-71	King
70180	Ignacio-Sumas Loop	203,773	6- 1-71	King
71200	Auburn Pipe Storage Site	Lease No. 86880	5-14-71	King
70150	Relocation; Ignacio-Sumas Line	204,640	9-10-71	Klickitat
71155	Ignacio-Sumas Loop	206,675	3-16-72	Pierce
69092	Ignacio-Sumas Loop	200,331	3-16-70	Skagit
69087	Ignacio-Sumas Loop	201,133	8- 5-70	Snohomish
70170	Ignacio-Sumas Loop	203,437	6- 1-71	Snohomish
70170	Ignacio-Sumas Loop	203,928	8-10-71	Snohomish
70170	Ignacio-Sumas Loop	203,976	7-16-71	Snohomish

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R/W No.	Name	License No.	Date	County
(2) Chehalis Western Railroad				
551211	Ignacio-Sumas Line	Agreement	5- 7-56	Thurston
611122	Ignacio-Sumas Line	Agreement	10-17-51	Thurston
61243	Shelton Line	Agreement	1-28-64	Thurston

## (3) Chicago, Milwaukee, St. Paul And Pacific R.R.

551505	Spokane Line	8501	2-27-56	Adams
551502	Lewiston Line	8538 or 312	4- 2-56	Adams
551531	Moses Lake Line	8884 or 324.1-W	9-13-57	Adams
551531	Moses Lake Line	8881 or	10-22-57	Grant
		65622	7-20-60	
551531	Moses Lake Line	8883 or H-1172	9-13-57	Grant
551531	Moses Lake Line	8892	8-14-57	Grant
551694	Electrolysis			
	Installation	9323	11- 6-59	King
551360	Wenatchee Line	8601	7- 3-56	Kittitas
551694	Electrolysis			
	Installation	9322	11- 6-59	Kittitas
551211	Ignacio-Sumas Line	5935	7- 3-56	Pierce
60676	South Tacoma Line	67895	9- 1-60	Pierce
71165	Ignacio-Sumas Loop	W-9139	5-25-72	Pierce
551510	Olympia Line	8813 or 6090	4-26-57	Thurston
551211	Ignacio-Sumas Line	8600	7- 3-56	Whatcom
551211	Ignacio-Sumas Line	8602	7- 3-56	Whatcom
69088	Ignacio-Sumas Loop	W-8971	4- 1-71	Whatcom
621245	Rosalie Line	9948	3-14-63	Whitman

## (4) Great Northern Railroad

551528	Grotto Line	62676	9-12-57	King
551528	Grotto Line	62680	9-12-57	King
551528	Grotto Line	62681	9-12-57	King
551528	Grotto Line	62682	9-12-57	King
551211	Ignacio-Sumas Line	60909	6-19-56	Skagit
551211	Ignacio-Sumas Line	61044	7- 3-56	Snohomish
551528	Grotto Line	62606	8-27-57	Snohomish
551528	Grotto Line	62613	8-28-57	Snohomish
551528	Grotto Line	62674	9-12-57	Snohomish
551528	Grotto Line	62675	9-12-57	Snohomish
551528	Grotto Line	62677	9-12-57	Snohomish
551528	Grotto Line	62678	9-12-57	Snohomish
551528	Grotto Line	62679	9-12-57	Snohomish
551528	Grotto Line	62836	10-16-57	Snohomish

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R/W No.	Name	License No.	Date	County
(4) Great Northern Railroad (continued)				
551528	Grotto Line	62837	10-16-52	Snohomish
611259	Relocation: Grotto Line	68506	3-14-62	Snohomish
68132	Stanwood Line	77405	7-21-69	Snohomish
551501	Coeur d'Alene Line	60846	6- 6-56	Spokane
551505	Spokane Line	60948	6-26-56	Spokane
551505	Spokane Line	60949	6-26-56	Spokane
551505	Spokane Line	60961	6-29-56	Spokane
601180	P. G. T. to Spokane	67677	6-21-61	Spokane
(5) Northern Pacific Railroad				
551505	Spokane Line	80359	2-15-56	Adams
551531	Moses Lake Line	82731	6-11-57	Adams
551505	Spokane Line	3060	10-10-56	Benton
551505	Spokane Line	80339	2- 1-56	Benton
551360	Wenatchee Line	80808	2-15-56	Benton
64966	Hedges Loop	6171	10- 1-65	Benton
551535	Portland Line	80342	2- 1-56	Clark
551211	Ignacio-Sumas Line	80881	4-17-57	Clark
551535	Portland Line	85227	11-12-38	Clark
65127	Astoria Line	95393	4- 9-55	Cowlitz
551505	Spokane Line	3068	10-17-56	Franklin
551505	Spokane Line	3112	6-27-56	Franklin
551505	Spokane Line	80319	1-25-56	Franklin
			Supp. 3- 1-56	
551531	Moses Lake Line	82736	6-15-57	Grant
551531	Moses Lake Line	82778	6-15-57	Grant
551701	Main Line Valve 54	3113	12-31-59	King
551211	Ignacio-Sumas Line	80828	3-15-56	King
551211	Ignacio-Sumas Line	80891	4-25-56	King
551360	Wenatchee Line	80341	2- 1-56	Kittitas
			Supp. 7-23-56	
551211	Ignacio-Sumas Line	80312	12-24-56	Pierce
551528	Grotto Line	3188	9- 3-57	Snohomish
551211	Ignacio-Sumas Line	80272	12-15-55	Snohomish
551211	Ignacio-St. Jas Line	80331	2- 1-56	Snohomish
551211	Ignacio-Sumas Line	80393	3- 1-56	Snohomish
551211	Ignacio-Sumas Line	80955	5-21-56	Snohomish
551508	North Seattle Line	81338	7-25-56	Snohomish
67671	North Seattle Loop	81338 Supp.	10- 1-67	Snohomish
68132	Stanwood Line	101170	7-18-69	Snohomish



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R/W No. Name License No. Date County

## (5) Northern Pacific Railroad (continued)

551505	Spokane Line	80318	1-25-56	Spokane
			Supp. 3- 1-56	
551501	Coeur d'Alene Line	80803	3- 1-56	Spokane
551501	Coeur d'Alene Line	80804	3- 1-56	Spokane
601180	Spokane Line	89929	5-15-61	Spokane
551510	Olympia Line	82208	4- 1-57	Thurston
61243	Shelton Line	82774	6-15-57	Thurston
61243	Shelton Line	82775	6-15-57	Thurston
551524	Bellingham Line	81317	7- 9-56	Whatcom
551502	Lewiston Line	80360	2-15-56	Whitman
551502	Lewiston Line	80361	2-15-56	Whitman
551503	Moscow Line	80865	4- 5-56	Whitman
551503	Moscow Line	80879	4-16-56	Whitman
551503	Moscow Line	80899	4-30-56	Whitman
551360	Wenatchee Line	3107	6-27-56	Yakima
551360	Wenatchee Line	80228	11-15-55	Yakima
			Supp. 1-25-56	
551360	Wenatchee Line	80243	12- 1-55	Yakima
			Supp. 1- 5-56	
			& 4-25-56	
551360	Wenatchee Line	80244	1- 5-56	Yakima
551360	Wenatchee Line	80338	2- 1-56	Yakima
551360	Wenatchee Line	80340	2- 1-56	Yakima
			Supp. 6-25-56	

## (6) Pacific Coast Railroad

551211	Ignacio-Sumas Line	49	7-16-56	King
551509	South Seattle Line	51	7-26-57	King
65676	South Seattle Loop	164	3-15-66	King

## (7) Spokane, Portland And Seattle Railroad

551502	Lewiston Line	1960	10- 8-56	Adams
551211	Ignacio-Sumas Line	302	3- 2-56	Benton
551290	Compressor Station			
	No. 14	9365	8-15-56	Benton
551506	Hedges Line	9305	4-17-56	Benton
551506	Hedges Line	9407	4-17-56	Benton
551211	Ignacio-Sumas Line	400	1-20-56	Klickitat
			3-24-56	
551211	Ignacio-Sumas Line	573	3-12-56	Klickitat
551511	The Dalles Line	L-1062	12- 1-58	Klickitat
621034	Hood River Line	L-1154	4-12-63	Klickitat
65672	Access Road to			
	Ignacio-Sumas Line			
	Swale Creek Canyon S-2280		12- 9-65	Klickitat

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R/W No.	Name	License No.	Date	County
551513	Walla Walla Line	(8) Walla Walla Valley Railroad W-158	5- 1-56	Walla Walla

## DIVISION SIX: INDIAN RESERVATIONS

## Section A — Muckleshoat Indian Reservation

R/W No.	Project	Dwg.	Date	County
551211	Ignacio-Sumas Line	47-9-19	1-27-56	King

## Section B — Western Washington Indian Reservation

R/W No.	Project	Dwg.	Date	County
551211	Ignacio-Sumas Line	47-9-22	5-25-56	Whatcom
66017	Ignacio-Sumas Loop	1401.4-X-1	5- 5-66	Whatcom
69088	Ignacio-Sumas Loop	Easement	4-13-71	Whatcom

## Section C — Yakima Indian Reservation

R/W No.	Project	Dwg.	Date	County
551211	Ignacio-Sumas Line	47-9-15	4- 8-57	Klickitat
551300	Wenatchee Line	37-9-195	7-23-56	Kittitas

## DIVISION SEVEN: CORPS OF ENGINEERS PERMITS

R/W No.	Name	Stream	Date	County
551211	Ignacio-Sumas Line	Columbia River	10-18-55	Benton
551505	Spokane Line	Columbia River	10-10-55	Benton
551535	Portland Line	Columbia River	11-28-55	Clark
551535	Portland Line	Lake River	3-15-58	Clark
70149	Ignacio-Sumas Loop	Lewis River	5-14-71	Clark
70193	Ignacio-Sumas Loop	East Fork Lewis River	5-14-71	Clark
551211	Ignacio-Sumas Line	Klamath River	11- 6-55	Cowlitz
70119	Ignacio-Sumas Loop	Cowlitz River	2- 1-71	Lewis
70154	Ignacio-Sumas Loop	Snohomish River	3-31-71	Snohomish
551211	Ignacio-Sumas Loop	Snohomish River	5- 1-56	Snohomish

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**DIVISION EIGHT: U. S. COAST GUARD**

R/W No.	Name	Stream	Date	County
70154	Ignacio-Sumas Loop	Klamath River	6-1 -71	Cowlitz

**DIVISION NINE: MILITARY RESERVATION EASEMENTS**

R/W No.	Military Reservation	Date	County
551211	Camp Bonneville	4-24-56	Clark
551211	Fort Lewis	4-27-56	Pierce
351211	Fort Lewis	9-11-56	Pierce

**DIVISION TEN: BUREAU OF RECLAMATION CONTRACTS**

R/W No.	Name	Reclamation Project	County	Date
551211	General Permit	Yakima Project	Yakima	4-16-56
551211	Ignacio-Sumas Line	Yakima Project	Yakima	4-16-56
551506	Hedges Line	Kenewick Irrigation District	Benton	4-16-56
551360	Wenatchee	Rosa Irrigation District	Yakima	4- 4-56

**DIVISION ELEVEN: IRRIGATION DISTRICT LICENSES**

Name of District	Date
<b>Adams County</b>	
East Columbia Basin Irrigation District	10-16-56
<b>Benton County</b>	
Columbia Irrigation District	4-18-56
Kenewick Irrigation District	4-16-56
<b>Clark County</b>	
Diking Improvement District No. 14	3- 7-56
<b>Kittitas County</b>	
Cascade Irrigation District	6-13-56
Ellensburg Irrigation District	4-27-56
Blue Canal Crossing	12- 7-56
<b>Lewis County</b>	
Diking and Drainage District No. 1	5-31-65

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Skagit County

Drainage District No. 21

8- 9-56

Whatcom County

McCauley Creek Flood Control  
Mt. Baker Water Association Inc.

6-10-59

9-18-56

Yakima County

Snipes Mountain Irrigation District  
Selah & Moxee  
Moxee Hubbard Ditch Company  
Moxee Ditch Company  
Grandview Irrigation District  
Drainage Improvement District No. 2  
Union Gap Irrigation District  
Sunnyside & Snipes Mountain Irrigation District  
Drainage Improvement District No. 25  
Drainage Improvement District No. 11

2-23-56

4-10-56

5- 4-56

5- 8-56

2-23-56

4- 6-56

4-19-56

2-23-56

4- 6-56

4- 5-56

DIVISION TWELVE: BONNEVILLE POWER ADMINISTRATION CONTRACTS  
(WASHINGTON AND OREGON)

R/W No.	Name of Project	Contract No.	Date
Various Projects in the States of Washington and Oregon		14-03-17507	4-23-60
591470	Canas--Eugene Line	14-03-17507	4- 3-61
		Supp. No. 1	
60676	South Tacoma Line	14-03-17507	2- 6-62
		Supp. No. 2	
601180	PST to Spokane Line	14-03-17507	2- 6-62
		Supp. No. 3	
621034	Hood River Line	14-03-17507	6-25-63
		Supp. No. 4	
63205	McCleary Line	14-03-17507	11-12-63
		Supp. No. 5	
61243	Olympia--Shelton Line	14-03-17507	11-27-63
		Supp. No. 6	
64966	Phillips--Pacific Sales Int. Loop	14-03-17507	11- 8-65
		Supp. No. 7	
65556	4 1/2" Quincy Line	14-03-17507	7-13-66
		Supp. No. 8	



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T/W No.	Name of Project	Contract No.	Date
66053 (NW)	Prineville Sales Lateral	14-03-17507	4-27-67
		Supp. No. 9	
62375	Grants Pass Line	14-03-17507	5-11-67
		Supp. No. 10	
65676	South Seattle Loop	14-03-17507	6-23-67
		Supp. No. 11	
69064	Wenatchee Partial Loop Line	14-03-17507	9-25-70
		Supp. No. 12	
69087	Ignacio-Sumas Loop	14-03-17507	1-17-72
		Supp. No. 13	
70169			
70165			
70170			
69065	South Seattle Loop	14-03-17507	2-24-72
		Supp. No. 14	
69092	Ignacio-Sumas Loop	14-03-17507	9-12-72
70167			
70168			
70169			
70180			
71165	Ignacio-Sumas Loop	14-03-17507	8-23-73
		Supp. No. 16	

### SCHEDULE III

#### GAS PURCHASE CONTRACTS

This Schedule III is attached to and made a part of the Indenture of Mortgage and Deed of Trust, dated as of January 31, 1914 (hereinafter in this Schedule III called the Indenture), by and between Northwest Pipeline Corporation, a Delaware corporation (hereinafter in this Schedule III called the Company), and Chemical Bank and Francis J. Farrell, as Trustees.

This Schedule III contains a description of all contracts for the purchase of gas by the Company as in force on the effective date of the Indenture (as defined in Section 1.13 of the Indenture), all right, title and interest of the Company under, in and to which is required to be described herein and to be subjected to the lien of the Indenture by GRANTING CLAUSE THIRD of the Indenture.

1. Gas Sales Contract, entered into July 21, 1953, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Arthur B. Belfer (to whom Beleo Petroleum Corporation is successor in interest), seller, as amended and supplemented to date.

2. Gas Sales Contract, entered into August 26, 1955, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Arthur B. Belfer, Rachel Belfer, Selma Ruben, Lawrence Ruben, Jack Saltz, Anita Saltz, and A. B. Belfer as Trustee for Robert Belfer, all general partners of Belfer Natural Gas Company (to which Beleo Petroleum Corporation is successor in interest), sellers, as amended and supplemented to date.

3. Gas Sales Contract, entered into June 8, 1956, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Beleo Petroleum Corporation and David C. Bintliff (to whom Beleo Petroleum Corporation is successor in interest), sellers, as amended and supplemented to date.

4. Gas Purchase Contract, entered into as of December 10, 1939, between Pacific Northwest Pipeline Corporation (to which the Company

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is successor in interest), purchaser, and Belco Petroleum Corporation, sellers, as amended and supplemented to date.

6. Gas Purchase Agreement, entered into January 15, 1967, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Mobil Oil Corporation, seller, as amended and supplemented to date.

8. Gas Sales Contract, entered into July 15, 1953, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and General Petroleum Corporation (to which Mobil Oil Corporation is successor by merger), seller, covering land in Rio Blanco County, Colorado, as amended and supplemented to date.

7. Gas Sales Contract, entered into July 15, 1953, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and General Petroleum Corporation (to which Mobil Oil Corporation is successor by merger), seller, covering land located in Sublette County, Wyoming, as amended and supplemented to date.

8. Gas Purchase Contract, entered into as of June 15, 1956, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Magnolia Petroleum Company (to which Mobil Oil Corporation is successor by merger), seller, as amended and supplemented to date.

9. Agreement for the purchase of gas, entered into May 15, 1956, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and General Petroleum Corporation (to which Mobil Oil Corporation is successor by merger), seller, as amended and supplemented to date.

10. Gas Purchase Agreement, entered into as of January 27, 1960, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Standard Oil Company of California (to which Chevron Oil Company, Western Division, is successor by merger), seller, as amended and supplemented to date.

11. Agreement for the purchase of gas, entered into June 25, 1956, between Pacific Northwest Pipeline Corporation (to which the Company

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is successor in interest), purchaser, and Phillips Petroleum Company, seller, as amended and supplemented to date.

12. Gas Purchase Contract, entered into as of June 15, 1956, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Northwest Production Corporation, seller, as amended and supplemented to date.

13. Agreement for the purchase of gas, entered into as of October 10, 1969, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Westcoast Transmission Company Limited, seller, as amended and supplemented to date.

14. Agreement for the purchase of gas, entered into September 29, 1960, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Westcoast Transmission Company Limited, seller, as amended and supplemented to date.

15. Gas Purchase Contract, entered into as of January 23, 1957, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Stanolind Oil and Gas Company (to which Amoco Production Company is successor by change of corporate name), seller, as amended and supplemented to date.

16. Gas Purchase Agreement, entered into as of May 25, 1964, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Austral Oil Company Incorporated, seller, as amended and supplemented to date.

17. Gas Purchase Contract, entered into as of December 1, 1959, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and Grand Valley Transmission Company, seller, as amended and supplemented to date.

18. Gas Sales Agreement, entered into as of July 27, 1959, between Pacific Northwest Pipeline Corporation (to which the Company is successor in interest), purchaser, and TEXACO Inc., seller, as amended and supplemented to date.

19. Gas Purchase Agreement entered into as of March 10, 1965, between El Paso Natural Gas Company (to which the Company is suc-



III.

cessor in interest), purchaser, and Continental Oil Company, seller, as amended and supplemented to date as to terms and conditions, however, exclusive of all amendments and supplements which add properties except as follows:

a. Letter agreement dated March 31, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

b. Supplemental Gas Purchase Agreement entered into as of May 14, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

c. Supplemental Gas Purchase Agreement entered into as of August 23, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

d. Letter agreement dated December 20, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

e. Supplemental Gas Purchase Agreement entered into as of January 26, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

f. Supplemental Gas Purchase Agreement entered into as of April 29, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

g. Supplemental Gas Purchase Agreement entered into as of November 7, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

h. Supplemental Gas Purchase Agreement entered into as of February 17, 1967, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Continental Oil Company, seller.

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20. Gas Purchase Agreement entered into as of April 5, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller, as amended and supplemented to date as to terms and conditions, however, exclusive of all amendments and supplements which add properties except as follows:

a. Supplemental Gas Purchase Agreement entered into as of April 26, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller, limited, however, to gas produced from the Dakota formation.

b. Letter agreement dated October 5, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

c. Supplemental Gas Purchase Agreement entered into as of January 11, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

d. Supplemental Gas Purchase Agreement entered into as of January 19, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

e. Supplemental Gas Purchase Agreement entered into as of January 24, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller, limited, however, to gas produced from the Dakota formation.

f. Supplemental Gas Purchase Agreement entered into as of March 21, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

g. Supplemental Gas Purchase Agreement entered into as of April 26, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

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h. Supplemental Gas Purchase Agreement entered into as of October 19, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

i. Supplemental Gas Purchase Agreement entered into as of January 10, 1967, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

j. Supplemental Gas Purchase Agreement entered into as of February 15, 1967, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Tenneco Oil Company, seller.

21. Gas Purchase Agreement entered into as of April 20, 1965, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and Sunray DX Oil Company (to which Sun Oil Company is successor by merger), seller, as amended and supplemented to date as to terms and conditions, however, exclusive of all amendments and supplements which add properties.

22. Gas Purchase Agreement entered into as of February 23, 1966, between El Paso Natural Gas Company (to which the Company is successor in interest), purchaser, and The Atlantic Refining Company (to which Atlantic Richfield Company is successor by merger), seller, as amended and supplemented to date as to terms and conditions, however, exclusive of all amendments and supplements which add properties.

## SCHEDULE IV

### GAS SALES CONTRACTS

This Schedule IV is attached to and made a part of the Indenture of Mortgage and Deed of Trust, dated as of January 31, 1974 (hereinafter in this Schedule IV called the Indenture), by and between Northwest Pipeline Corporation, a Delaware corporation (hereinafter in this Schedule IV called the Company), and Chemical Bank and Francis J. Farrell, as Trustees.

This Schedule IV contains a description of all contracts for the sale of gas by the Company as in force on the effective date of the Indenture (as defined in Section 1.13 of the Indenture), all right, title and interest of the Company under, in and to which is required to be described herein and to be subjected to the lien of the Indenture by GRANTING CLAUSE FOURTH of the Indenture.

1. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Colorado Interstate Gas Company, a Division of Colorado Interstate Corporation, relating to the supply of gas to said Colorado Interstate Gas Company, a Division of Colorado Interstate Corporation, at a point near Green River, Wyoming, which was to have been superseded by a Service Agreement, dated October 25, 1973, between said parties, but which has not been made effective by the Federal Power Commission.
2. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Intermountain Gas Company, relating to the supply of gas to said Intermountain Gas Company for service in and about various communities in the State of Idaho.
3. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Mountain Fuel Supply Company, relating to the supply of gas to said Mountain Fuel Supply Company at a point near Green River, Wyoming, which was to have been superseded by a Service Agreement, dated October 25, 1973, between said parties, but which has not been made effective by the Federal Power Commission.



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4. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Northwest Natural Gas Company, relating to the supply of gas to said Northwest Natural Gas Company for service in and about various communities in the States of Oregon and Washington.
5. Direct Industrial Gas Sales Contract, dated as of July 15, 1971, between El Paso Natural Gas Company (to which the Company is successor in interest) and Phillips Pacific Chemical Company, relating to the supply of gas for use in the plant of said Phillips Pacific Chemical Company in the Pasco-Kennewick area of the State of Washington.
6. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Southwest Gas Corporation, relating to the supply of gas to said Southwest Gas Corporation for service in northern Nevada and certain areas in California.
7. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Washington Natural Gas Company, relating to the supply of gas to said Washington Natural Gas Company for service in and about various communities in the State of Washington.
8. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and The Washington Water Power Company, relating to the supply of gas to said The Washington Water Power Company for service in and about various communities in the States of Washington and Idaho.
9. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and California-Pacific Utilities Company, relating to the supply of gas to said California-Pacific Utilities Company for service in and about various communities in the State of Oregon.
10. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Cascade Natural Gas Corporation, relating to the supply of gas to said

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Cascade Natural Gas Corporation for service in and about various communities in the States of Washington and Oregon.

11. Service Agreement, dated August 31, 1973, between El Paso Natural Gas Company (to which the Company is successor in interest) and Washington Natural Gas Company, relating to the supply of storage gas to said Washington Natural Gas Company for service in and about various communities in the State of Washington.

12. Service Agreement, dated August 31, 1973, between El Paso Natural Gas Company (to which the Company is successor in interest) and Cascade Natural Gas Corporation, relating to the supply of storage gas to said Cascade Natural Gas Corporation for service in and about various communities in the States of Washington and Oregon.

13. Service Agreement, dated September 22, 1971, between El Paso Natural Gas Company (to which the Company is successor in interest) and Southwest Gas Corporation, relating to the supply of gas to said Southwest Gas Corporation for service to industrial consumers at various locations in the State of Nevada.

14. Service Agreement, dated August 1, 1972, between El Paso Natural Gas Company (to which the Company is successor in interest) and Utah Gas Service Company, relating to the supply of gas to said Utah Gas Service Company for service in and about various communities in the State of Utah.

**SCHEDULE V****GAS EXCHANGE AND/OR TRANSPORTATION CONTRACTS  
AND OPERATING AGREEMENTS**

This Schedule V is attached to and made a part of the Indenture of Mortgage and Deed of Trust, dated as of January 31, 1974 (hereinafter in this Schedule V called the Indenture), by and between Northwest Pipeline Corporation, a Delaware corporation (hereinafter in this Schedule V called the Company), and Chemical Bank and Francis J. Farrell, as Trustees.

This Schedule V contains a description of all Gas Exchange and/or Transportation Contracts and Operating Agreements as in force on the effective date of the Indenture (as defined in Section 1.13 of the Indenture) and every other contract or agreement of a similar nature required to be described herein and to be subjected to the lien of the Indenture by GRANTING CLAUSE FIFTH of the Indenture.

1. Agreement entered into as of August 10, 1955, as amended, between Beleo Petroleum Corporation and David C. Bintliff as Producer and Pacific Northwest Pipeline Corporation (to which the Company is successor in interest) providing for the construction and operation of a certain compressor station and appurtenant facilities in Sublette County, Wyoming.
2. Gas Exchange Agreement entered into as of October 4, 1966, as amended, between Cascade Natural Gas Corporation and El Paso Natural Gas Company (to which the Company is successor in interest) providing for the transportation and exchange of certain volumes of natural gas in Rio Blanco County, Colorado.
3. Gas Exchange Agreement entered into on July 1, 1958, as amended, between Mountain Fuel Supply Company and the Pacific Northwest Pipeline Corporation (to which the Company is successor in interest) providing for the transportation and exchange of certain volumes of natural gas in the State of Wyoming.
4. Big Piney-La Barge Area Gathering Agreement entered into on December 6, 1958, as amended, between Mountain Fuel Supply Company and Pacific Northwest Pipeline Corporation (to which the Company is

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successor in interest) providing for the gathering of certain volumes of natural gas in the Big Piney-La Barge natural gas producing area in the State of Wyoming.

5. Service Agreement entered into on August 21, 1961, as amended, between Pacific Gas Transmission Company as Seller and El Paso Natural Gas Company (to which the Company is successor in interest) as Buyer providing for the transportation of certain volumes of natural gas by Seller for Buyer from the Canadian-United States boundary near Kingsgate, British Columbia to certain points within the States of Idaho, Oregon and Washington.

6. Gas Exchange Agreement entered into on September 19, 1973, between Utah Gas Service Company and El Paso Natural Gas Company (to which the Company is successor in interest) providing for the exchange of certain volumes of natural gas between the two parties at delivery points in the State of Utah.

7. Gas Storage Project Agreement entered into as of June 25, 1970, as amended, between The Washington Water Power Company, Washington Natural Gas Company and El Paso Natural Gas Company (to which the Company is successor in interest) providing for the operation and development of a Storage Project in the vicinity of Jackson Prairie, Lewis County, Washington.

8. San Juan Gathering Agreement dated as of January 31, 1974, by and between El Paso Natural Gas Company and the Company, providing for gathering certain volumes of natural gas in the San Juan Basin natural gas producing area of New Mexico and Colorado.

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STATE OF WASHINGTON  
COUNTY OF SPOKANE

I HEREBY CERTIFY THAT THE WITHIN

INSTRUMENT OF 1974 IS FILED BY

*Corporate Secretary, El Paso Natural Gas Company*

ON

AT 11:30 A.M. Feb. 7, 1974

WAS RECORDED IN BOOK 51

OF 714

RECORDS OF SPOKANE COUNTY, WASH.

*SPN 1000*

COUNTY AUDITOR

*E. Mayfield*

INDEXED	FILED
INDEXED	FILED
RECORDED	FILED
COMPARED	FILED
MAILED	FILED