

Section 1. The Company may in the ordinary course of business sell or otherwise dispose of, free from the lien of this Indenture and without reference to the Trustee, any machinery, equipment, pipes, fixtures and/or other movable property, covered by the lien hereof, which shall have become obsolete or unfit for use and/or which shall be no longer necessary or advantageous in the business of the Company. In the event of the disposition of any such property, the proceeds thereof shall be invested in other machinery, equipment, pipes, fixtures and/or other property, which shall become and be subject to the lien of this Indenture.

Section 2. The Company may without reference to the Trustee, make such changes, alterations or substitutions in or of the terms, covenants, stipulations or conditions of any and all leases or contracts for oil and gas and/or other hydrocarbons, at any time subject to the lien of this Indenture, as it shall deem advantageous and/or substitute for any such lease or contract a new lease or a new contract covering the same land or property or interests therein, which new lease or contract shall become and be subject to the lien of this Indenture.

Section 3. The Company may surrender, abandon or permit to lapse, whether operated or non-operated, any lease for gas or oil or other hydrocarbons or any oil wells or gas wells, which are non-producing or which in the judgment of the Board of Directors or of the Executive Committee of the Company are believed to be without substantial value to it by reason of its own explorations or of the explorations of others, and/or rights of way, and/or leases for the erection of tanks or reservoirs, distributing stations or for other purposes, which in the judgment of the Board of Directors or of the Executive Committee of the Company are believed to be without substantial value to it. The Company shall furnish to the Trustee as soon as practicable after the end of each fiscal year of the Company a statement in writing under the corporate seal of the Company of leases, wells and/or rights of way, which were covered by the lien hereof, so surrendered, abandoned or permitted to lapse and in each case the reason therefor.

Section 4. Unless an event of default, as defined in Section 2 of Article Five hereof, shall have occurred and shall be continuing, the Company may, without reference to the Trustee, remove from lands or leaseholds forming part of the trust estate hereunder any pipe lines (including trunk lines, gathering lines and field lines) mains, distributing systems, tanks, oil-well or gas-well material and equipment, telegraph and telephone lines and equipment, pumps, pumping machinery and equipment and/or other movable property, which is subject to the lien hereof, for the purpose of storing or using the same in any other place or places deemed desirable, whether within or without the county where such property was located before such removal. This provision is subject to the condition, however, that not more than \$500,000 fair value of such property (other than tank cars) in the aggregate at any one time may be stored or used in any place or places where the same shall not be effectually subjected to the lien of this Indenture. The Company covenants and agrees in respect of any excess over \$500,000 fair value of such property (other than tank cars) that it will within thirty days (a) take all steps necessary or appropriate to effectually preserve the lien of this Indenture thereon, or (b) replace the same with similar property acquired otherwise than with the proceeds of Bonds authenticated and delivered under Section 3 of Article Two hereof or with moneys held subject to any of the provisions hereof, of a fair value at least equal thereto, or (c) subject to the lien of this Indenture other property, acquired otherwise than with the proceeds of Bonds authenticated and delivered under Section 3 of Article Two hereof or with moneys held subject to any of the provisions hereof, of a fair value at least equal thereto and of a character for the acquisition whereof Bonds