

219784 C.J. COMPARED

THIS INDENTURE OF LEASE AND AGREEMENT made and entered into this 8th day of January, 1923, by and between PIERCE OIL CORPORATION, a corporation of the State of Virginia, and doing business in the States of Texas and Oklahoma (hereinafter referred to as the "Oil Corporation"), party of the first part, and EXCHANGE TRUST COMPANY OF TULSA, OKLAHOMA, a corporation of the state of Oklahoma as Trustee for The Chase National Bank of the City of New York (said Bank being hereinafter referred to as " The Bank") and/or for the several respective Acceptors and holders or owners for the time being of the drafts or bills of exchange herein described evidencing the loans hereinafter mentioned to the extent hereinafter set forth (said Exchange Trust Company being hereinafter referred to as the "Trustee"), party of the second part, and PIERCE PIPE LINE COMPANY, a corporation of the State of Texas, party of the third part, WITNESSETH that

WHEREAS, the Oil Corporation for the purpose of paying and refunding and meeting in part its obligations with respect to \$950,000 principal amount of its drafts maturing on the 8th day of January, 1923 (and secured by the Oil hereinafter mentioned), has determined to borrow moneys and to provide funds therefor by the creation and sale of its ninety (90) day drafts or bills of exchange of approximately even date herewith, in not to exceed the principal amount of \$800,000 drawn on and accepted by certain banks, bankers and/or trust companies (hereinafter sometimes called the "Acceptors"); and

WHEREAS, the Oil Corporation entered into an acceptance agreement with The Bank of even date herewith for the benefit of the Acceptors and has agreed therein to put the Acceptors in funds to meet said drafts or bills of exchange when due; and

WHEREAS, in order to secure said drafts or bills of exchange and the repayment by the Oil Corporation of the funds thereby provided, and in order to secure the performance by the Oil Corporation of its obligations to said Acceptors the Oil Corporation has pledged certain quantities of crude oil, fuel oil, kerosene, gas oil, gasoline, lubricating oil, oil products and by-products (collectively hereinafter referred to as "Oil") owned by it and held in storage; and

WHEREAS, the Oil Corporation has caused and will cause said drafts or bills of exchange to have printed, typewritten or stamped thereon (as a representation of the Oil Corporation) the legend "This bill was secured at time of acceptance by independent warehouse, terminal, or other similar receipt conveying or securing title to crude oil or staple products thereof, stored in the United States and the Acceptor will remain secured throughout the life of the bill"; and

WHEREAS, in order to secure said drafts or bills of exchange and its obligations to the Acceptors thereof the Oil Corporation has duly determined to lease the tanks, warehouses and properties hereinafter mentioned and described, and to pledge Oil (as hereinbefore defined) stored therein or thereon together with such additional Oil as may from time to time during the term hereof be run into said tanks or placed in said warehouses or on said premises, and to pledge such additional Oil or other security as may be required by the provisions hereof; and

WHEREAS, Pierce Pipe line company has become a party to this Agreement for the purpose of leasing to the Trustee such of the tanks and pipe lines herein mentioned as are owned by it or in which it is interested.

NOW, THEREFORE, for and in consideration of the premises and of the yearly rental or sum of Ten Dollars (\$10) to each of them paid by said Trustee, the receipt whereof is hereby acknowledged, and other good and valuable considerations the said party of the first part and the said party of the third part as Lessors have letten and by these presents do grant