

TO HAVE AND TO HOLD the same unto the said Exchange Trust Company of Tulsa, Oklahoma, as Trustee as aforesaid, and to its successor or successors in the Trust, and to its grantees or assigns forever, in trust, for the uses and purposes and with the rights and powers herein contained and enumerated, and such other rights and powers as are necessary for the carrying out of the terms, stipulations, conditions and provisions of this agreement, and full possession of said Oil, Supplemental Oil, Treating Materials, and/or Warehouse Supplies, and the other property and interest in property is now delivered unto the actual possession of the Trustee; said Oil, Supplemental Oil, Treating Materials, and/or Warehouse Supplies to be held in storage and not otherwise in said tanks, warehouses, pipe lines and facilities named in the lease provisions hereof.

COMPARED

The Oil Corporation hereby represents that it is the absolute owner of the Oil, Supplemental Oil, Treating Materials and/or Warehouse Supplies hereinbefore described, free and clear of all liens and encumbrances whatsoever, (except the lien to secure the \$345,000. of drafts mentioned and described in the Prior Agreement); and it further covenants that all Oil, Supplemental Oil, Treating Materials and/or Warehouse Supplies which now is in said tanks storage warehouses and said pipe lines, and which shall hereafter be run or delivered into said tanks, storage warehouses, and said pipe lines and become subject to this agreement shall be its absolute property and likewise free and clear of all liens or encumbrances whatsoever (except as above stated in this paragraph), and that it will forever warrant and defend the title to the same unto the said Trustee, its successor or successors or assigns against all lawful claims.

485 The Oil Corporation further agrees that during the term of this agreement it will not suffer or permit the property hereby conveyed, or any part thereof, to become subject to any lien or encumbrance whatsoever save the lien securing not exceeding \$ 345,000. of drafts to the extent defined in the Prior Agreement, and the Oil Corporation further covenants and agrees to cause forth with to be plainly marked all said tanks, storage warehouses, pipe lines and property in such manner as shall be required by the Trustee and as shall give good and sufficient notice of the ownership of the Trustee of the Oil, Supplemental Oil, Treating Materials, and/or Warehouse Supplies contained in said tanks, storage warehouses, and pipe lines and the leasehold interest of the Trustee in the said tanks, storage warehouses and pipe lines and to maintain such notice during the life of this Agreement.

Oil Corporation and Pipe Line Company severally undertake and agree that they will not without the prior written assent of the Bankers, do or suffer to be done any act or thing which will at any time increase the value of Oil subject to the lien of the Prior Agreement substantially above \$475,000 and /or which will subject the Oil (subject to such lien of the Prior Agreement), Supplemental Oil, Treating Materials and/or Warehouse Supplies to any pledge or lien whatever ranking or which may rank superior to or upon an equality with the lien hereby conferred upon the Trustee in respect thereof.

The Oil Corporation further agrees to pay, or cause to be paid, any and all lawful taxes assessed and levied against the property hereby leased and/or conveyed and/or pledged, and in the event of its failure so to do, the Trustee may pay the same.

It is agreed that the parties intend this instrument to operate as a pledge, as well as a lease, but in order to cover the possibility of its being construed as a chattel mortgage the Trustee is authorized to file this instrument, or authenticated copies thereof, in accordance with the provisions of the law of the State of Oklahoma applicable to the filing of chattel mortgages, and also to record the same as a lease.

It is hereby stipulated and agreed by and between the parties hereto, that for the purpose of determining the value of the Oil and Supplemental Oil at any and all times contained in said tanks and storage warehouses, the crude oil shall be taken at the posted price per