Trustees, and First National City Bank (said notes of Celbess being herein called the "Mortgage Notes") and of all other indebtedness secured by the Mortgage, and further subordinate and subject to the lien of the Mortgage. Celbess hereby covenants and agrees to do, execute, acknowledge and deliver every and all such acts, conveyances, mortgages, assurances, assignments of proceeds of the Texas Gulf Production Payment and other instruments as Sinclair shall reasonably request to secure any and all amounts now or hereafter owed by Celbess to Sinclair by a direct mortgage lien on the Texas Gulf Production Payment and which shall provide for the application as aforesaid of proceeds assigned subject and subordinate only as aforesaid; and Celbess further agrees that any sale, conveyance, assignment or transfer (whether by operation of law or otherwise) of the Texas Gulf Production Payment, in whole or in part, made by it after the date hereof (other than by or pursuant to the Mortgage) shall be made subject to this Agreement and to the rights of Sinclair hereunder.

Sinclair hereby agrees that, until the Mortgage Notes and all other indebtedness secured by the Mortgage have been paid in full, any and all amounts owed by Celbess to Sinclair, and any and all liens, charges and claims against, and any other interest held or claimed by Sinclair in, the Texas Gulf Production Payment, shall be subordinate and subject in right of payment to the prior payment in full of the Mortgage Notes and of all other indebtedness secured by the Mortgage, and further subordinate and subject to the lien of the Mortgage, and Celbess will not be obligated to make or give, and Sinclair will not take or receive from Celbess, in any manner, payment of the whole or any part of the amounts owed by Celbess to Sinclair or any security therefor which is not subordinated as provided herein. Sinclair hereby further agrees that:

(a) upon any distribution of assets of Celbess to creditors upon any dissolution or winding up or total or partial liquidation or reorganization of Celbess, whether voluntary or involuntary, or in any bankruptcy, insolvency, receivership or other process, all principal, interest and premium, if any, due upon the Mortgage Notes and all other indebtedness of Celbess secured by the Mortgage shall first be paid in full before Sinclair shall be entitled to receive or retain any payment or distribution in respect of any amounts owing to Sinclair by Celbess;

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(b) upon any such dissolution or winding up or liquidation or reorganization, Sinclair irrevocably authorizes the holder of the Mortgage Notes to file on behalf of Sinclair any and all claims, proofs of debt, consents and other similar documents, and any payment or distribution of assets of Celbess of any kind or character, whether in cash, property or securities, to which Sinclair would be entitled shall be paid by Celbess or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution, directly to the holder or holders of the Mortgage Notes and other indebtedness of Celbess secured by the Mortgage, in the order of application provided in the Mortgage, to the extent necessary to pay the Mortgage Notes and other indebtedness secured by the Mortgage in full before any payment or distribution is made to Sinclair;

(c) notwithstanding the foregoing *subparagraphs* (*a*) and (*b*), if, upon any such dissolution or winding up or liquidation or reorganization, any payment or distribution of assets of Celbess of any kind or character, whether in cash, property or securities, shall be received by Sinclair before the Mortgage Notes and all other indebtedness of Celbess secured by the Mortgage are paid in full, such payment or distribution will be held in trust for the benefit of, and shall be paid over to, the holder or holders of the Mortgage Notes and other indebtedness of Celbess secured by the Mortgage for application as provided in the Mortgage to the payment of the Mortgage Notes and other indebtedness of Celbess secured by the Mortgage until the Mortgage Notes and all other indebtedness secured by the Mortgage have been paid in full; and

(d) no extension, renewal, alteration or modification of, or consent, approval or acquiescence to change in, the provisions of the Mortgage Notes or of the Mortgage, no release, substitution or other dealing with any security under the Mortgage, no waiver of performance of any of the terms of the Mortgage Notes or the Mortgage and no failure to resort to or enforce the obligations of any guarantor of the Mortgage Notes shall in any way impair or affect the foregoing terms.

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