

14. Nothing herein contained shall in anywise limit or restrict the right of Assignor to sell, convey, assign or mortgage the PPI (including its rights, titles, interests, estates, remedies, powers and privileges appurtenant or incident thereto under this instrument), in whole or in part; and if Assignor or its assigns shall at any time execute a mortgage or deed of trust covering all or any part of the PPI as security for any obligation, the mortgagee or the trustee therein named or the holder of the obligation secured thereby shall be entitled, to the extent that such mortgage or deed of trust so provides, to exercise all of the rights, remedies, powers and privileges herein conferred upon Assignor and to give or withhold all consents required to be obtained from Assignor hereunder by Assignee.

To HAVE AND TO HOLD the Properties herein conveyed unto Assignee, its successors and assigns, forever; subject, however, to the exceptions, reservations, covenants and agreements herein set forth.

Assignor covenants with the Assignee that as of October 10, 1962, all rentals and royalties due and payable on the Properties have been duly paid; and that Assignor and its successors will forever warrant and defend the title to the Properties, subject to the exceptions, reservations, covenants, and agreements herein set forth, against the claims and demands of all persons whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise.

This instrument is made with full substitution and subrogation of Assignee in and to all covenants of warranty by others heretofore given or made with respect to the Properties herein assigned and conveyed or any part thereof or interest therein.

It is understood and agreed that with respect to oil, gas and mineral leases, which, or interests in which, are included in the Properties, from the United States of America or from one or more States or any agency thereof (including the University of Texas lands) or from Indian tribes, bands or groups, and any such lease on lands allotted to Indians in severalty, separate assignments on approved forms may be executed by Assignor to Assignee, in sufficient counterparts to fulfill applicable statutory and regulatory requirements, and that such assignments, although unqualified in form or not specifically containing all of the terms and provisions hereof, shall be deemed to contain all of the exceptions, exclusions, retentions, reservations, rights, titles, interests, estates, remedies, powers and privileges set forth herein as fully to all intents and purposes as though the same were set forth at length in each such assignment.

So long as authorized by applicable law so to do, Assignor and Assignee will execute and deliver all such other and additional instruments as may be necessary more fully to vest in each such party the respective rights and the interests herein reserved and granted.

Any notice, request, demand, report or other instrument which may be required or permitted to be given to or furnished to or served upon either party hereto or other party succeeding to any interest of said parties shall be deemed sufficiently given, furnished or served if in writing and delivered to such party or to any officer of such party or deposited in the United States mail in a sealed envelope, certified, with postage prepaid, addressed to such party as follows:

Assignor: Texas National Petroleum Co.  
410 Pierce Avenue  
Houston 3, Texas

Assignee: Union Oil Company of California  
Post Office Box 7600  
Los Angeles 54, California

or at such other address as the party to be addressed shall have previously furnished in writing to the other party giving such notice, furnishing such report and making such request or demand.