

1957 404 249

Exception No. 400349 Recorded Aug 26 1957

8:00 o'clock A.M. Date Recorded

DEED OF TRUST

STATE OF COLORADO
COUNTY OF LOGAN

KNOW ALL MEN BY THESE PRESENTS:

THIS INDENTURE, by and between GEORGE F. RUSSELL, of Harris County, Texas, and RUSSELL ENGINEERING CORPORATION, a Texas corporation with permit to do business in the State of Colorado, with an office in Houston, Harris County, Texas, hereinafter sometimes called "Grantors", and THE PUBLIC TRUSTEE of Logan County, in the State of Colorado, hereinafter called "Public Trustee", for the use and benefit of BANK OF THE SOUTHWEST NATIONAL ASSOCIATION, HOUSTON, a national banking corporation with its principal place of business in Houston, Harris County, Texas, hereinafter called "Mortgagee" or "Bank",

WITNESSETH:

THAT Grantors, in consideration of the debt and trust hereinafter mentioned, and for the purpose hereinafter set forth, do hereby GRANT, BARGAIN, SELL AND CONVEY unto Public Trustee in trust forever, the following described property situated in the County of Logan, State of Colorado, to-wit:

PART I - YENTER PLANT PROPERTIES, FACILITIES AND RELATED MATTERS

An undivided two and one-half per cent (2-1/2%) interest in and to all of the following described property, both real and personal (and including intangible contract rights), relating to the Yenter Processing Plant situated in Logan County, Colorado, to-wit:

1.

Five (5) acres of land in Logan County, Colorado, being three hundred feet (300') wide and seven hundred twenty-six feet (726') long, located in Lot Eight (8), Section Two (2), Township Eight (8) North, Range Fifty-Four (54) West of the Sixth P.M., more particularly described as follows:

COMMENCING at a point on the Northwest corner of said Lot Eight (8) in said above section as a point of beginning;
THENCE 300 feet East to a point;
THENCE 726 feet South to a point;
THENCE 300 feet West to a point; and
THENCE 726 feet North to the point of beginning;

(SAVE AND EXCEPT, however, the oil, gas and other minerals in, on and under the above described premises, together with the right of ingress and egress to explore for, mine and remove same).

2.

All improvements of every kind and character now or hereafter situated upon the above described property, including, without limitation, the buildings, structures and fixtures composing the Yenter Gas Processing Plant. Said improvements include, without limitation, five plants built to operate in parallel and an absorption system to service all five plants.

3.

All of the machinery, equipment, appliances and other personal property of every kind and character now owned or hereafter acquired for use or to be used in connection with or constituting a part of the operation or maintenance of the Yenter Gas Processing Plant situated upon the land described under the first item hereof or upon any of the pipe lines, compressor sites or other property used in connection with said Yenter Plant.

4.

The following two (2) compressor units and all equipment used in connection therewith, as well as the licenses and leases in and to the lands upon which the said compressor units are located. Said license and lease being under and by virtue of agreement dated February 23, 1955 (and any amendments or supplements thereto), from Kansas-Nebraska Natural Gas Company, Inc. to Ginther, Warren and Ginther as a supplement to gas processing agreement dated January 15, 1954, between said parties:

No. 1: Yenter Field booster compressor unit being a McNamara-Joy W.N.B. 114-4 cylinder compressor driven by a V-125 Climax Engine, complete with Happy Company water cooler, complete with all auxiliary operating equipment, all skid mounted and housed by Parkersburg building, and being situated on a tract of land located in the East Half of Lot 7 of Section 3, Township 8 North, Range 54 West, Logan County, Colorado, described as follows:

BEGINNING at the Northeast corner of said Lot 7; THENCE extending West along the North line of Lot 7 a distance of 330 feet; THENCE South a distance of 660 feet; THENCE East a distance of 330 feet; THENCE North along the East line of Lot 7 a distance of 660 feet to the place of beginning.

No. 2: Northwest Graylin Field booster compressor unit, being two C-250 Fuller rotary compressors driven by a V-122 12-cylinder Climax Engine, complete with Power Machinery Company updraft radiator with hydraulic drive, complete with all auxiliary operating equipment, all skid mounted and housed by Parkersburg building, and being situated on a tract of land in the Southwest Quarter of Section 1, Township 8 North, Range 54 West, more fully described as follows:

BEGINNING at the Northeast corner of said Quarter Section; THENCE South 298.5 feet; THENCE West 200 feet; THENCE North 298.5 feet; THENCE East 200 feet to the point of beginning, containing 1.37 acres, more or less.

5.

The rights under the Yenter Plant Processing Agreement dated January 15, 1954 between Kansas-Nebraska Natural Gas Company, Inc., and Ginther, Warren and Ginther and the February 23, 1955 addition to said contract, as well as any other additions or amendments to said contract, insofar as they relate to the Yenter Plants.

6.

The rights under all products sales agreements and under all other gas processing agreements held, or in the future entered into, in connection with the Yenter Plant.

7.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining to the aforesaid property or any part thereof, whether now owned or hereafter acquired, with the reversion and reversions, remainder and remainders, rents, issues, income, products and profits thereof, in all the estate, right, title and claims whatsoever, at law as well as in equity, which Grantors now have or may hereafter acquire in and to the aforesaid property or any part thereof, whether now owned or hereafter acquired.

PART II - LEWIS CREEK PLANT PROPERTIES, FACILITIES AND RELATED MATTERS

An undivided two and one-half per cent (2-1/2%) interest in and to all of the following described properties, both real and personal (and including intangible contract rights), relating to the Lewis Creek Processing Plant situated in Logan County, Colorado, to-wit:

1.

A tract of land in the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of Section One (1), Township Eleven (11) North, Range Fifty-Three (53) West of the Sixth P.M., more particularly described as: Beginning at a point on the East line of said NE/4 of said Section 1 which is 355.7 feet South of the Northeast corner of said Section 1; THENCE South 89° 46' West 33 feet to the true point of beginning; THENCE South 89° 46' West 660 feet; THENCE South 530 feet; THENCE North 89° 46' East 660 feet; THENCE North 520 feet to the true place of beginning, comprising 7.87 acres, more or less;

being the same land described in deed from Hugh E. Williams, et ux, to N. C. Ginther, H. C. Warren and

W. L. Ginther, dated March 9, 1956, recorded in Volume 478, page 373, of the Records of Logan County, Colorado; and in addition thereto, all other lands now owned or hereafter acquired by them in the Northeast Quarter of Section 1, Township 11 North, Range 53 West, Logan County, Colorado, including any leases or use or lands obtained under agreement with Kansas-Nebraska Natural Gas Company, Inc., all of which said land is sometimes known as the "Lewis Creek Plant Site" on which a processing plant has been constructed by N. C. Ginther, H. C. Warren and W. L. Ginther for the purpose of processing gas purchased by Kansas-Nebraska Natural Gas Company, Inc. from the Lewis Creek and West Poetz Fields in Logan County, Colorado.

2.

All improvements of every kind and character now or hereafter situated upon the above described property, including, without limitation, the buildings, structures and fixtures composing the Lewis Creek Gas Processing Plant.

3.

All of the machinery, equipment, appliances and other personal property of every kind and character now owned or hereafter acquired for use or to be used in connection with or constituting a part of the operation or maintenance of the Lewis Creek Gas Processing Plant situated upon the land described under the first item hereof or upon any of the pipe lines, compressor sites or other property used in connection with said Lewis Creek Plant.

4.

All compressors and compressor station sites (however held, i.e., whether in fee, by license, easement or lease) used or constructed for use in connection with the operation of the Lewis Creek Gas Processing Plant.

5.

All processing contracts and agreements and other contracts and agreements running in favor of Ginther, Warren and Ginther with regard to the Lewis Creek Plant operation including rights as Processor under Agreement dated February 15, 1956, between Kansas-Nebraska Natural Gas Company, Inc., as Supplier, and N. C. Ginther, H. C. Warren and W. L. Ginther, as Processor, made as Supplement No. 2 to Gas Processing Agreement between the said parties relating to the Yenter Plant.

6.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining to the aforesaid property or any part thereof, whether now owned or hereafter acquired, with the reversion and reversions, remainder and remainders, rents, issues, income, products and profits thereof, in all the estate, right, title and claims whatsoever, at law as well as in equity, which Grantors now have or may hereafter acquire in and to the aforesaid property or any part thereof, whether now owned or hereafter acquired.

Mention is made of the fact that in the event Kansas-Nebraska Natural Gas Company, Inc. elects to acquire, after payout, a forty-nine per cent (49%) interest in either the Yenter Processing Plants or the Lewis Creek Processing Plant under its basic processing agreements, that George F. Russell is, under the Assignment and Agreement between Ginther, Warren and Ginther and George F. Russell and Russell Engineering Corporation dated July 26, 1957, to contribute a 2-1/2% part of the interest to be received by Kansas-Nebraska Natural Gas Company, Inc. and the rights herein assigned are subject to such possible reduction. Without limiting in any way any of the foregoing, there is expressly conveyed herein all of the interest of George F. Russell and Russell Engineering Corporation acquired under the Assignment and Agreement dated July 26, 1957 executed by N. C. Ginther, H. C. Warren and W. L. Ginther, As Assignors, to George F. Russell and Russell Engineering Corporation, as Assignees, which instrument is being filed for record in Logan County, Colorado, as well as all other interests now owned or which may hereafter be acquired by either of the Grantors herein in and to the Yenter Processing Plants and the Lewis Creek Processing Plant in Logan County, Colorado, including any easements, processing and/or sales contracts, lands, personal property and rights of any kind or character now owned or hereafter acquired by George F. Russell and/or Russell Engineering Corporation in and to the Yenter Plant properties and the Lewis Creek Plant properties identified above, and in connection with the operation of said respective Plants.

Mention is made of the fact that the Yenter Plant facilities described above are owned by George F. Russell, individually, and the Lewis Creek Plant facilities described above are owned by Russell Engineering Corporation.

TO HAVE AND TO HOLD the above described premises, together with all and singular the privileges and appurtenances thereunto belonging unto Public Trustee and his successors in office.

And the Grantors, for themselves and their heirs, executors and administrators, covenant and agree to and with Public Trustee and his successors in office, that they hold the said premises by title in fee simple; that they have good right and lawful authority to sell and convey the same; that said premises are free and clear of all liens and encumbrances; that they will WARRANT AND FOREVER DEFEND said premises against the lawful claims of all persons whomsoever.

INDEBTEDNESS SECURED:

This conveyance is made and given in trust to secure indebtedness of the Grantors now or hereafter owing to Mortgagee, as follows:

(a) That certain promissory note of even date herewith, executed by Russell Engineering Corporation and George F. Russell, jointly and severally, for the principal sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00), payable to Bank of the Southwest National Association, Houston, or its order, at its office in the City of Houston, Harris County, Texas, bearing interest at the rate of six per cent (6%) per annum on the unpaid principal amount thereof from time to time remaining unpaid, interest payable monthly as it accrues on the 25th day of each month, beginning on the 25th day of August, 1957, the principal of said note being due and payable in monthly installments of not less than FIVE THOUSAND FIVE HUNDRED FIFTY-SIX DOLLARS (\$5,556.00) each, the first such monthly installment being due and payable on the 25th day of August, 1957, and a like installment being due and payable on the same day of each consecutive month thereafter until the 25th day of July, 1960, when the entire unpaid balance of said note shall become due and payable; said note contains provisions for acceleration of maturity and the payment of ten per cent (10%) attorney's fees upon contingencies therein stated. Reference is here made to said note for all of its terms and provisions;

(b) Any extensions or renewals of the above described note, or any part thereof;

(c) All sums owing, or hereafter at any time, prior to the final release hereof, to become owing by either of the Grantors herein to Bank of the Southwest National Association, Houston, whether direct, primary, secondary, or contingent, and this deed of trust shall further secure all unpaid balances, whether by renewals, extensions or otherwise, of all of the indebtedness hereinabove described.

Without in any way limiting the above, it is contemplated that Bank of the Southwest National Association, Houston, may make additional loans to the Grantors herein named in connection with either the Yenter or Lewis Creek Processing Plants, and it is agreed that this deed of trust shall secure any and all such additional loan or loans.

PARTICULAR COVENANTS OF THE GRANTORS:

1. The covenants, agreements and undertakings of the Grantors in this deed of trust, whether contained under this heading or elsewhere, are made by the Grantors for themselves, their heirs and assigns, in the exercise of all powers possessed by Grantors and each of them.

2. So long as the indebtedness secured hereby, or any part thereof, remains unpaid, the Grantors, themselves, their heirs,

successors, representatives and assigns, covenant and agree with the Public Trustee, his successors or substitutes, and with his or their successors and assigns, and with Bank of the Southwest National Association, Houston, its successors and assigns, and with the holder or holders from time to time of the indebtedness secured hereby, or any part thereof, or any interest therein, and with each of them, that Grantors will:

- (a) At all times punctually keep, perform and observe all of the covenants, agreements, terms, provisions, conditions and limitations contained in any contract or other agreement constituting a part of the mortgaged property, and will do all things necessary to keep unimpaired all of its rights in, under and to all such contracts or other agreements, and to prevent any default thereunder or any forfeiture or impairment thereof, and, without limiting the generality of the foregoing, the Grantors, subject to delays resulting from disputes in good faith and to adverse claims of independent third parties, will promptly pay suppliers for all gas purchased by it in accordance with the provisions contained in the respective gas purchase contracts constituting a part of the mortgaged property.
- (b) Maintain, preserve and renew all rights-of-way, easements, privileges, licenses and franchises now owned or at any time hereafter acquired by the Grantors and reasonably necessary to the proper and efficient operation of the mortgaged Plants and Facilities.
- (c) Promptly acquire such additional easements, rights-of-way and licenses, and to construct such additional gathering lines and facilities as may be necessary or proper to enable the Grantors to perform their obligations under all gas processing contracts at any time subject to the lien hereof.
- (d) Permit the Bank and its duly authorized agents or representatives at all times to go upon, examine and inspect the mortgaged property and to do all things necessary to enable the Bank promptly to exercise its rights under this paragraph.
- (e) Maintain, preserve and keep the mortgaged property in thorough repair, working order and condition, and from time to time make all necessary and proper repairs, renewals, replacements and substitutions, to the end that the value of the mortgaged property shall be fully preserved and so that such property shall be kept in such condition as at all times to permit efficient and economical use and operation thereof.
- (f) Operate the mortgaged property in a good, careful and workmanlike manner in conformity with best commercial practice and with competent and experienced supervisors and workmen.
- (g) Pay or cause to be paid before delinquent all lawful taxes of every kind and character in respect of the

mortgaged property, provided that nothing herein contained shall obligate the Grantors to pay any such tax if the Grantors (i) contest the validity thereof by appropriate legal proceedings, and (ii) furnish to the Bank satisfactory assurance of the Grantors' ability to pay the tax if finally determined to be valid; provided further that the Grantors shall promptly pay any such tax so contested, upon and to the extent of determination of validity.

- (h) Properly and punctually perform all of the conditions and covenants required to be observed and performed under the Gas Processing Agreements with Kansas-Nebraska Natural Gas Company, Inc. relating to the Yenter Plants and never to permit a default by the Grantors as Lessee to occur or exist thereunder.
- (i) Maintain insurance with all losses payable to the Bank, as mortgagee, on all of Grantors' interests in the buildings, structures, machinery, equipment, furnishings, fixtures, products, materials and supplies included in this deed of trust of such character as are customarily insured by companies engaged in similar business in the same general locality, and to such extent as such properties are customarily so insured in good and responsible insurance companies against loss or damage by fire, tornado, and such other casualties, if any, as are customarily insured against by companies engaged in similar business in the same territory, and without limiting the generality of the foregoing, the Grantors will keep their interests in Plants and Facilities insured against loss or damage by fire in amounts not less than the full insurable value thereof.
- (j) At any time and from time to time, upon request from the Bank, promptly execute and deliver to the Bank such supplemental deeds of trust and chattel mortgages and such other additional instruments and further assurances as may be necessary or proper in the opinion of the Bank fully to effectuate the lien of this deed of trust.
- (k) Promptly correct any defect, error or omission which may be discovered in the contents of this instrument or in the execution or acknowledgment hereof and in the notes secured hereby, and will execute and deliver any and all additional instruments as may be deemed necessary or proper by the person making the request to correct such defect, error or omission.

3. Until payment in full of the indebtedness secured hereby, the Grantors covenant that they will not, without the proper written consent of the Bank:

- (a) Enter into any sale or lease of the mortgaged property.
- (b) Create, incur, assume or suffer to exist any mortgage, pledge or other encumbrance upon the mortgaged property whether now owned or hereafter acquired, except this deed of trust.

4. Grantors covenant that they will promptly at their own expense file and record this deed of trust and every other instrument in addition or supplemental hereto as shall be required by law in order to preserve the lien hereof upon the mortgaged property.

5. Any and all covenants contained in this deed of trust may from time to time, by instrument in writing signed by the Bank and delivered to the Grantors, be waived to such extent and in such manner as the Bank may elect, but no such waiver shall ever affect or impair the rights of the Bank hereunder, except to the extent specifically stated in such written instrument.

EVENTS OF DEFAULT:

The term "default" as used in this deed of trust shall mean the occurrence of any of the following events:

- (a) The failure of the Grantors promptly to pay the indebtedness secured hereby, or any part thereof, whether principal or interest, as it becomes due, whether at maturity or when accelerated pursuant to any power to accelerate contained in said note or contained herein; or
- (b) The failure of the Grantors punctually and properly to observe, keep or perform any covenant, agreement or condition herein required to be observed, kept or performed, if such failure continues for ten (10) days after written notice and demand by the Bank, or other holder of the indebtedness secured hereby, for the performance of such covenant, agreement or condition; or
- (c) A receiver is appointed for all or substantially all of the properties of the Grantors or each of them; or
- (d) The adjudication of the Grantors, or either of them, as an involuntary bankrupt by a court of competent jurisdiction, and such judgment be not appealed from within the time allowed by law, or if so appealed from, when said judgment shall become final, and in any event if and when such judgment shall have continued in force for ten (10) days regardless of any appeal; or
- (e) The filing of a petition by the Grantors, or either of them, to be adjudicated a bankrupt or the filing by the Grantors, or each of them, of a pleading, either by petition or answer, or his instituting or voluntarily being or becoming a party to any other judicial proceeding intended to effect a reorganization or arrangement or a discharge of the debts of the said Grantors, in whole or in part, or a postponement at the maturity of the collection thereof or a suspension of any of the rights or powers hereby granted to or vested in the Trustee or the Bank or other holder of the indebtedness secured hereby; or
- (f) The failure of the Grantors, or either of them, for a

period of ten (10) days after any money judgment against them, or either of them, shall have become final to pay such judgment.

Upon the occurrence of a default, the Bank, or other holder or holders of the indebtedness secured hereby, or any part thereof, or interest therein, or any of them, shall have the option of declaring all indebtedness secured hereby in its entirety to be immediately due and payable.

Upon the occurrence of a default, the Bank or its representative(s) or agent(s), in addition to any and every other remedy, and without the necessity of further notice, have the right, and the Bank or its representative(s) or agent(s) are hereby so authorized and empowered (but shall not be obligated to any person so to do) to enter upon any or all of the mortgaged property, excluding the Grantors and all other persons therefrom, and to take possession of the Grantors' books, records, and documents relating to the mortgaged property and to use, operate, manage, control and maintain said property and perform and enforce all contracts with reference thereto, either directly or through agents, either in the name of the Grantors or otherwise, and the Grantors hereby promise to pay to the Bank all expenses paid or incurred in such operation and management of said property, including a reasonable compensation for their services to any person employed by the Bank for such purpose, and, in addition, payment of all such amounts shall be secured by the lien hereof. In case of operation or management of said property by the Bank or its representative(s) or agent(s), no one of them shall ever be liable to the Grantors or to any other person in any manner in respect to or on account of such operation, except for its or his own intentional mismanagement or bad faith.

FORECLOSURE:

Upon the occurrence of a default, or in the case of the breach of any of the agreements or covenants herein mentioned, the Bank may, at its option, and in addition to any and every other remedy, declare the whole of the principal debt herein secured immediately

due and payable and may elect to advertise said property for sale and demand such sale. Upon filing notice of such election and demand for sale with Public Trustee, then upon receipt by Public Trustee of such notice of election and demand for sale, he shall cause a copy of same to be recorded in the Recorder's office of the county in which said real estate is situated, and it shall and may be lawful for said Public Trustee to sell and dispose of the same (en masse or in separate parcels, as said Public Trustee may think best) and all the right, title and interest of Grantors, their heirs, successors or assigns therein, at public auction, at the front door of the courthouse in the County of Logan, State of Colorado, or on said premises, or any part thereof, as may be specified in the notice of such sale, for the highest and best price the same will bring in cash, four weeks' public notice having been previously given of the time and place of such sale, by advertisement weekly, in some newspaper of general circulation at that time published in said County of Logan. A copy of such notice shall be mailed within ten (10) days from the date of the first publication thereof to Grantors at the address herein given and to such person or persons appearing to have acquired a subsequent record interest in said real estate at the address given in the recorded instrument. Where only the county and state are given as the address then such notice shall be mailed to the county seat. Public Trustee shall make and give to the purchaser or purchasers of such property at such sale a certificate or certificates in writing describing such property purchased, and the sum or sums paid therefor, and the time when the purchaser or purchasers (or other person entitled thereto) shall be entitled to a deed or deeds therefor, unless the same shall be redeemed as is provided by law; and said Public Trustee shall, upon demand by the person or persons holding the said certificate or certificates of purchase, when said demand is made, or upon demand by the person entitled to a deed to and for the property purchased, at the time such demand

is made, the time for redemption having expired, make and execute to such person or persons a deed or deeds to the said property purchased. Said deed or deeds shall be in the ordinary form of a conveyance, and shall be signed, acknowledged and delivered by said Public Trustee, as grantor, and shall convey and assign and transfer to such person or persons entitled to such deed, as grantee, the said property purchased as aforesaid and all of the right, title, interest, benefit and equity of redemption of Grantors, their heirs, successors and assigns, therein. Such deed or deeds shall contain covenants of warranty binding Grantors and their legal representative and shall recite the sum or sums for which the said property was sold and shall refer to the power of sale therein contained, and to the sale or sales made by virtue thereof; and in case of an assignment of said certificate or certificates of purchase, or in case of the redemption of such property, by a subsequent encumbrancer such assignment or redemption shall also be referred to in such deed or deeds; but the notice or sale need not be set out in such deed or deeds. Said Public Trustee shall, out of the proceeds or avails of such sale, after first paying and retaining all fees, charges and costs of making said sale, pay to Mortgagee hereunder, or the legal holder of said note, the principal and interest due on said note according to the tenor and effect thereof, and all monies advanced by such Mortgagee or legal holders of such note, for insurance, taxes and assessments, with interest thereon at six per cent (6%) per annum, rendering the overplus, if any, unto the said Grantors, their heirs, legal representatives, successors or assigns; which sale or sales and said deed or deeds so made shall be a perpetual bar, both in law and equity, against the said Grantors, their heirs, successors and assigns, and all other persons claiming the said property or any part thereof, by, from, through or under said Grantors, or each of them. The holder or holders of said note may purchase said property or any part thereof; and it shall not be obligatory upon the purchaser or purchasers at

any such sale to see to the application of the purchase money.

In case of any default whereby the right of foreclosure occurs hereunder, including an event of default as described in said loan agreement, that shall have happened and be continuing, then, and in every such case, Public Trustee or the holder of said note or the certificate of purchase shall at once become entitled to the possession, use and enjoyment of the property aforesaid, and to the rents, issues and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if any there be; and such possession shall at once be delivered to Public Trustee or the holders of said note or certificate of purchase on request, and on refusal, the delivery of such possession may be enforced by Public Trustee or the holder of said note or certificate of purchase by any appropriate civil action or proceeding, and Public Trustee or the holder of said note or certificate of purchase, or any part thereof, shall be entitled to a receiver for said property, and of the rents, issues and profits thereof, after such default, including the time covered by foreclosure proceedings and the period of redemption, if any there be, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Grantors or of the then owners of said property and without regard to the value thereof, and such receiver may be appointed by any court of competent jurisdiction upon ex parte application and without notice--notice being hereby expressly waived-- and all rents, issues and profits, income and revenue therefrom shall be applied by such receiver to the payment of the indebtedness hereby secured, according to law and the directions of the court.

DEFEASANCE

If all indebtedness secured hereby be paid as the same becomes due and payable, and if the covenants, warranties, undertakings and agreements made in this deed of trust are kept and performed, then and in that case only, this conveyance shall become null and

void and the properties hereby conveyed shall become wholly clear of the liens, conveyances and assignments evidenced hereby, and such liens shall be released in due form at the Grantors' cost.

MISCELLANEOUS PROVISIONS:

- (a) All options and rights of election herein provided for the benefit of Bank are continuing, and the failure to exercise any such option or right of election upon a particular default or breach or upon any subsequent default or breach, shall not be construed as waiving the right to exercise such option or election at any later date. No exercise of the rights and powers herein granted and no delay or omission in the exercise of such rights and powers shall be held to exhaust the same or be construed as a waiver thereof, and every such right and power may be exercised at any time and from time to time.
- (b) No provision of this instrument or of the note secured hereby shall require the payment or permit the collection of interest in excess of the maximum permitted by law. If any excess of interest in such respect is herein or in said note provided for, or shall be adjudicated to be so provided for herein or in said note, neither the Grantors nor their successors or assigns shall be obligated to pay such interest in excess of the amount permitted by law.
- (c) All indebtedness secured hereby or which may be owing at any time by the Grantors hereunder shall be payable at the offices of the Bank in the City of Houston, Harris County, Texas.
- (d) As to all personal property comprehended within the terms hereof, this deed of trust shall likewise be a chattel mortgage and a lien on machinery situated on realty.
- (e) The Bank reserves the right to release any part of the property now or hereafter subject to the lien hereof, without releasing any other part of said property and without affecting the lien hereof as to the part or parts thereof not so released, and no creditor of the Grantors, or any other person, shall ever have any objection thereto or any right against the Bank to account therefor, nor shall the lien of these presents be in any manner affected by any such release as to the property not so released.
- (f) These presents shall be binding upon the Grantors, and each of them, jointly and severally, and their respective heirs, legal representatives, successors and assigns, and shall inure to the benefit of the Bank, its successors and assigns, and shall likewise be covenants running with the land.

This instrument is executed in several counterpart copies, and it is agreed that an executed counterpart copy hereof may be

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filed in the Chattel Mortgage Records and deemed to constitute a chattel mortgage upon any of the properties included herein, classified as personal property.

IN TESTIMONY WHEREOF, Grantors have executed this instrument this the 30th day of July, 1957.

George F. Russell
GEORGE F. RUSSELL



RUSSELL ENGINEERING CORPORATION

By

Geo. F. Russell
President

W. J. Diller
Secretary

GRANTORS

THE STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me, this 8th day of August, 1957, by GEORGE F. RUSSELL.

Witness my hand and official seal.



My Commission Expires:

June 1 - 1959

Bertha H. Andries
Notary Public in and for
Harris County, Texas

BERTHA H. ANDRIES, NOTARY PUBLIC
IN & FOR HARRIS COUNTY, TEXAS

THE STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me, this 8th day of August, 1957, by George F. Russell,
President of RUSSELL ENGINEERING CORPORATION, a Texas corporation.

Witness my hand and official seal.

Bertha H. Andries
Notary Public in and for
Harris County, Texas

BERTHA H. ANDRIES, NOTARY PUBLIC
IN & FOR HARRIS COUNTY, TEXAS

My Commission Expires:

June 1 - 1959

