

this Eighth Supplemental Indenture, a valid, binding and legal instrument for the security of the Bonds of the Company issued and to be issued thereunder and to make the Bonds of the 1980 Series, when duly executed by the Company and authenticated by the Trustee and duly issued, the valid and legally binding obligations of the Company, have been complied with or have been done and performed.

Now, THEREFORE, THIS EIGHTH SUPPLEMENTAL INDENTURE WITNESSETH:

That the Company, in consideration of the premises and of the mutual covenants herein contained and of the sum of One Dollar to it duly paid by the Trustees at or before the sealing and delivery of these presents and for other valuable considerations, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest (and premium, if any) on all Bonds at any time issued and outstanding under the Indenture, as supplemented by this Eighth Supplemental Indenture, according to their tenor and effect, and the performance and observance of all the covenants and conditions in the Bonds and in the Indenture and herein contained, has executed and delivered this Eighth Supplemental Indenture and does hereby ratify and confirm its mortgage and pledge to the Trustees of all property (other than property heretofore released or otherwise discharged from the lien of the Indenture) described in the Indenture, and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto The Chase Manhattan Bank and Arthur F. Henning, as Trustees, and to their successors and assigns forever, all and singular the following described properties, together with the properties described in the Indenture (other than property heretofore released or otherwise discharged from the lien of the Indenture)—that is to say:

FIRST PIPE LINES

All of the following described pipe lines for the transportation and supply of natural gas acquired or constructed by the Company and not heretofore specifically described in the granting clauses of the Indenture and all real estate and rights-of-way acquired by the Company pertaining to said pipe lines or used or useful in the operation thereof:

MAJOR LATERAL PIPE LINES

Texas Laterals Shell-Big Foot Lateral

A 6-inch lateral approximately 1.74 miles in length beginning at Mile Post 45.80 on the West Big Foot Lateral, and extending in a northeasterly direction to the outlet riser in the Shell Big Foot M&R Station in the Rusk Transportation Co. Survey, A-584, all in Frio County, Texas.

Louisiana Laterals

Southeast Louisiana Gathering Main Lateral

A 20-inch lateral pipe line totalling approximately 37.89 miles in length, beginning at a point in Section 72, Township 16 South, Range 16 East in Terrebonne Parish and continuing southerly to a point in Section 3, Township 21 South, Range 12 East all in Terrebonne Parish, Louisiana.

Included in this lateral are, 1 block valve assembly and a block valve and scraper trap assembly at the end of the 20-inch lateral.

Point Au Fer Lateral

A 10-inch lateral pipe line, totalling approximately 7.35 miles in length, beginning at the tie-in to the 20-inch Southeast Louisiana Gathering Main Lateral located at a point in Section 3, Township 21 South, Range 12 East and continuing in a westerly direction to the outlet riser in Republic Point Au Fer M&R Station, at a point in Section 11, Township 21 South, Range 11 East, all in Terrebonne Parish, Louisiana.

Placid-Raceland Lateral

A 4-inch lateral pipe line approximately 0.50 miles in length, beginning at Mile Post 20.45 on the Raceland Lateral and continuing