

TRUST INDENTURE

BOOK-JULY PAGE 101

KNOW ALL MEN BY THESE PRESENTS:

THIS TRUST INDENTURE dated as of the 26th day of January, 1962, by

Charlie F. Chandler

_____, hereinafter referred to as the Trustor, and

W.A. Grandstaff, Arnold Teusink, Curtis Hall, Bob M. Morrison,

and O. C. Kelley

and their respective successors in office, to be known as the Trustees of the _____

Spencer Utilities

Authority, who shall

be Trustees of the Trust herein set out and hereinafter referred to as Trustees.

W I T N E S S E T H:

That in consideration of the payment by the Trustor to the Trustees of the sum of One Dollar (\$1.00), receipt of which is hereby acknowledged, the mutual covenants herein set forth, and other valuable considerations, the said Trustees agree to hold, manage, invest, assign, convey and distribute as herein provided, authorized and directed, such property as Trustor, or others, may from time to time assign, transfer, lease, convey, give, bequeath, devise or deliver unto this Trust or the Trustees hereof.

TO HAVE AND TO HOLD such property and the proceeds, rents, profits and increases thereof unto said Trustees and said Trustees' successors and assigns, but nevertheless in trust, for the use and benefit of the Town of Spencer, Oklahoma, hereinafter referred to as Beneficiary, and upon the following trusts, terms and conditions herein stated.

ARTICLE I

CREATION OF TRUST

The undersigned Trustor creates and establishes a trust for the use and benefit of the Beneficiary, to finance, operate, construct and administer any public works, improvements or facilities, and for the public purposes hereinafter set forth, under the provisions of Title 60, Oklahoma Statutes 1951, Sections 174 to 180, inclusive, as amended by Title 60, Chapter 4, Oklahoma Session Laws 1953, the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma.

ARTICLE II

The name of this Trust shall be "Spencer Utilities Authority", hereinafter referred to as Trust. The Trustees shall conduct all business and execute or authorize the execution of all instruments, and otherwise perform

the duties and functions required in the execution of this Trust.

ARTICLE III

The purposes of this Trust are:

(1) To acquire, construct, purchase, install, equip, maintain, repair, enlarge, remodel and operate buildings and other facilities for use by the United States of America, or the State of Oklahoma, or for use by authorities or agencies of the United States of America or of the State of Oklahoma or of any municipality thereof, or for use by municipal or other political subdivisions of the State of Oklahoma, including the beneficiary hereof; to plan, establish, develop, construct, enlarge, improve, extend, maintain, equip, operate, lease, furnish, provide, supply, regulate, hold, store and administer utilities, either within or without the territorial boundaries of the beneficiary which are or shall be of public use, including, but without limitation, water, sewer, gas, garbage and trash disposal facilities; and to service machinery or equipment in connection with such utilities, building, and facilities.

(2) To hold, maintain and administer any leasehold rights in and to physical properties devised to the beneficiary and to comply with the terms and conditions of any such lease.

(3) To acquire by lease, purchase, production, reversion to possession or otherwise, and to plan, establish, develop, construct, enlarge, improve, extend, maintain, equip, operate, furnish, provide, supply, regulate, hold, store and administer any and all physical properties (real, personal or mixed), rights, privileges, immunities, benefits, and any other thing of value, designated or needful for utilization in furnishing, providing or supplying the aforementioned services, utilities, buildings and facilities; to finance and refinance and to enter into contracts of purchase or other interest in or operation and maintenance of water, sanitary sewage, and gas company properties, garbage and trash disposal, and other utilities and revenue thereof, lease-purchase contracts and to comply with the terms and conditions of any such contracts, leases or other contracts made in connection with the acquisition, equipping, maintenance and disposal of any of said property; and to relinquish, dispose of, rent or otherwise make provisions for properties owned or controlled by the Trust but no longer needful for trust purposes.

(4) To perform on behalf of the beneficiary the functions and powers as authorized by industrial development statutes.

(5) To provide funds for the cost of financing, refinancing, acquiring, constructing, purchasing, equipping, maintaining, leasing, repairing, improving, extending, enlarging, remodeling, holding, storing, operating and administering any or all aforesaid services, utilities, buildings, facilities, industrial development, and all properties (real, personal or mixed) needful for executing and fulfilling the Trust purposes as set forth in this instrument and all other charges, costs, and expenses necessarily incurred in connection therewith and in so doing, to incur indebtedness, either unsecured or secured by all or any part of the Trust Estate and its revenues.

(6) To expend all funds coming into the hands of the Trustees as revenue or otherwise for the payment of any indebtedness incurred by the Trustees for purposes specified herein, and in the payment of the aforesaid costs and expenses, and in payment of any other obligation properly chargeable against the Trust Estate, and to distribute the residue and remainder of such funds to the beneficiary municipality.

ARTICLE IV

DURATION OF TRUST

This Trust shall have duration for the term of duration of the beneficiary and until such time as its purpose shall have been fully fulfilled, or until it shall be terminated as hereinafter provided.

ARTICLE V

THE TRUST ESTATE

The Trust Estate shall consist of:

(1) The funds and property presently in the hands of the Trustees or to be acquired or constructed by Trustees and dedicated by the Trustor and others to be used for trust purposes.

(2) Any and all leasehold rights remised to the Trustees by the beneficiary as authorized and empowered by law.

(3) Any and all money, property, real, personal or mixed, rights, choses in action, contracts, leases, privileges, immunities, licenses, franchises, benefits, and all other things of value coming into the possession of the Trustees pursuant to the provisions of this Trust Indenture.

(4) Cash in the sum of \$10.00 deposited in Spencer State Bank

to the account of the Trustees.

The instruments executed for each project, and such issuance of Trustees Bonds and other indebtedness, shall set out the specific property of the Trust Estate exclusively pledged and mortgaged for the payment of such indebtedness.

ARTICLE VI

THE TRUSTEES

(1) The Trustees of this Trust shall be citizens and residents of the beneficiary, who are the persons presently constituting the Board of Trustees, and members of the governing board of the beneficiary, and the persons who shall be their successors as Trustees, and members of said governing board of said beneficiary, and each such successor in office shall without any further act, deed or conveyance, automatically become Trustees of this Trust and become fully vested with all the estate, properties, rights, powers, duties and obligations of his predecessor hereunder with like effect as if originally named as a Trustee herein.

(2) The person who shall be the Chairman of the beneficiary, shall become automatically the Chairman of the Trustees and shall preside at all meetings and perform other duties designated by the Trustees. The Trustees shall designate the time and place of all regular meetings. All actions by the Trustees pursuant to the provisions of this Trust Indenture shall be approved by the affirmative vote of at least a majority of the Trustees qualified to act as such under the provisions of this Trust Indenture. The Trustees shall select one of their members to be Vice-Chairman who shall act in the place of the Chairman during the latter's absence or incapacity to act.

(3) The person who shall be the Town Clerk of the beneficiary, shall act as Secretary of the Trustees. The Secretary shall keep minutes of all meetings of the Trustees and shall maintain complete and accurate records of all their financial transactions, all such minutes, books and records to be on file in the office of the Trust. All meetings of the Trustees shall be open to the public, and the books, records and minutes of the Trustees shall be considered as public records and available for inspection at all times by any interested party.

(4) The person who shall be the Town Treasurer of the beneficiary, shall act as Treasurer of the Trustees.

(5) The Trustees may appoint a general manager for the Trust Estate, and may employ such other clerical, professional, legal and technical assistance as may be deemed necessary in the discretion of the Trustees to properly operate the business of the Trust Estate, and may fix their duties, terms of employment and compensation. Any such employee may be a person who shall be an officer or employee of the beneficiary, in which event such officer or employee may receive compensation from the Trust Estate. All Trustees shall serve without compensation but shall be reimbursed for actual expenses incurred in the performance of their duties hereunder. In the event a general manager for the Trust Estate is appointed by the Trustees, the said general manager shall administer the business of the Trust Estate as directed from time to time by the Trustees.

(6) The Trustees are authorized to contract, in connection with the incurring of any funded indebtedness secured by the Trust Estate and/or its revenues, or any part of either or both, that in the event of a default in the fulfillment of any contract obligation undertaken on behalf of the Trust Estate or in the payment of any indebtedness incurred on behalf of the Trust Estate, that a Temporary Trustee or Trustees or Receiver shall be appointed to succeed to the rights, powers, and duties of the Trustees then in office. Any such contract, if made, shall set out the terms and conditions under which such Temporary Trustee or Trustees or Receiver shall be appointed, and operate the Trust Estate and provide for compensation to be paid, and appointment to be vacated and permanent Trustees to be automatically re-instated upon termination of all defaults by which their appointment was authorized.

(7) Bonds or other evidences of indebtedness to be issued by the Trustees shall not constitute an indebtedness of the State of Oklahoma, nor of the beneficiary, nor personal obligations of the Trustees of the Trust, but shall constitute obligations of the Trustees payable solely from the Trust Estate.

(8) The Trustees, the State of Oklahoma, and the beneficiary hereof shall not be charged personally with any liability whatsoever by reason of any act or omission committed or suffered in good faith or in the exercise of their honest discretion in the performance of such Trust or in the operation of the Trust Estate; but any act or liability for any omission or obligation of the Trustees in the execution of such Trust, or in the operation of the Trust Estate, shall extend to the whole of the Trust Estate or so much thereof as may be necessary to discharge such liability or obligation.

(9) Notwithstanding any other provision of this Indenture which shall appear

to provide otherwise, no Trustee or Trustees shall have the power or authority to bind or obligate any other Trustee, or the beneficiary, in his or its capacity, nor can the beneficiary bind or obligate the Trust or any individual Trustee.

ARTICLE VII

POWERS AND DUTIES OF THE TRUSTEES

To accomplish the purposes of the Trust, and subject to the provisions and limitations otherwise provided in this Trust Indenture, the Trustees shall have, in addition to the usual powers incident to their office and the powers granted to them in other parts of this Trust Indenture, the following rights, powers, duties, authority, discretion and privileges, all of which may be exercised by them without any order or authority from any court:

(1) To finance, refinance, acquire, establish, develop, construct, enlarge, improve, extend, maintain, equip, operate, lease, furnish, provide, supply, regulate, hold, store and administer any of the facilities designated pursuant to Article III hereof as the Trustees shall determine necessary for the benefit and development of the beneficiary.

(2) To enter into contracts for the acquisition and construction of works and facilities authorized to be acquired and constructed pursuant to the terms of this Trust Indenture and in compliance herewith, other than those works and facilities to be constructed by the employees of the Trustees; provided, however, that:

(a) It is the intent of this Trust Indenture that there be effective competition on contracts for all construction work and materials involving an outlay and expenditure in excess of \$750.00; provided, however, should the Trustees find that an immediate emergency exists by reason of which an immediate outlay of funds in an amount exceeding \$750.00 is necessary in order to avoid loss of life, substantial damage to property, or damage to the public peace or safety, then contracts may be made and entered into without competitive bids. Contracts for the construction of all improvements as a whole or in part shall be entered into only after reasonable public advertisement for bids, and the Trustees shall cause plans and specifications to be prepared in sufficient detail for contractors to submit bids on such construction work. Plans and specifications shall be made available to all bidders and, whenever practicable in the opinion of the Trustees, final detailed plans, and

specifications will be prepared prior to advertisement for bids and shall be made available to all bidders.

(b) The Trustees may reject all bids and readvertise for bids or may enter into a contract or contracts with a responsible bidder or bidders who, in the opinion of the Trustees, shall offer the terms deemed most favorable to the Trust Estate. All contractors to whom any construction contract for any project or part thereof is let shall be financially responsible and bear a good reputation in the industry. The Trustees may prescribe such bidding qualifications as they deem necessary and desirable.

(c) All construction contracts shall be bonded (performance and statutory) for one hundred per cent (100%) of the amount of the contract.

(d) On major construction projects the invitation to bid, the bidding, and letting of contracts may be in whole, by sections, segments or for particular parts or units of the total work to be performed.

(3) To employ such architectural and engineering firm or firms as the Trustees deem necessary to prepare such preliminary and detailed studies, plans, specifications, cost estimates and feasibility reports as are required in the opinion of the Trustees. The cost of such engineering and architectural work shall be paid out of the proceeds of the sale of bonds or from such other funds as may be available therefor.

(4) To enter into contracts for the sale of bonds, notes or other evidences of indebtedness or obligations of the Trust for the purpose of acquiring or constructing works and facilities authorized to be acquired or constructed pursuant to the terms of this Trust Indenture and for that purpose may:

(a) Employ a financial advisor, or committee of advisors, to advise and assist the Trustees in the marketing of such bonds, notes or other evidences of indebtedness or obligations, and to present financial plans for the financing of the acquisition or construction of each project, and to recommend to, or consult with, the Trustees concerning the terms and provisions of bond indentures and bond issues, and may pay appropriate compensation for such work and services performed in the furtherance of the project;

(b) Sell all bonds, notes or other evidences of indebtedness or obligations of the Trust in whole or in installments or series and on

such terms and conditions and in such manner as the Trustees shall deem to be in the best interest of the Trust Estate; and

(c) Appoint and compensate attorneys, paying agencies and corporate trustees in connection with the issuance of any such bonds, notes, evidences of indebtedness or other obligations of the Trust.

(5) To enter into and execute, purchase, lease or otherwise acquire property, real, personal or mixed, contracts, leases, rights, privileges, benefits, choses in action, or other things of value and to pay for the same in cash, with bonds or other evidences of indebtedness or otherwise.

(6) To make and change investments, to convert real into personal property, and vice versa, to lease, improve, exchange or sell, at public or private sale, upon such terms as they deem proper, and to resell, at any time and as often as they deem advisable, any or all the property in the Trust, real and personal; to borrow money, or renew loans to the Trust, to refund outstanding bonded indebtedness and to execute therefor notes, bonds or other evidences of indebtedness, and to secure the same by mortgage, lien, pledge or otherwise; to purchase property from any person, firm or corporation, and lease land and other property to and from the beneficiary and construct, improve, repair, extend, remodel, and equip utilities or buildings and facilities thereon and to operate or lease or rent the same to individuals, partnerships, associations, corporations and others, including the United States of America or the State of Oklahoma and agencies or authorities of the United States of America, or of the State of Oklahoma, or of any municipality thereof, and also including all municipal or other political subdivisions of the State of Oklahoma as well as the beneficiary hereof, and to do all things provided for in Article III of this Trust Indenture, and procure funds necessary for such purpose by the sale of bonds or other evidences of indebtedness by a mortgage, lien, pledge or other encumbrance or otherwise of such real and personal property, utilities, buildings and facilities owned or otherwise acquired, leased or controlled by Trustees, and by rentals, income receipts and profits therefrom, or from any other revenues associated with the ownership, operation or control of the property of the Trust; to lease or sublease any property of the Trust or of which the Trustees may become the owners or lessors.

(7) To fix, demand and collect charges, rentals and fees for the services

and facilities of the Trust to the same extent as the beneficiary might do and to discontinue furnishing of services and facilities to any person, firm or corporation, or public instrumentality, delinquent in the payment of any indebtedness to the Trust; to purchase and sell such supplies, goods and commodities as are incident to the operation of its properties.

(8) To make and perform contracts of every kind, including management contracts, with any person, firm, corporation, association, trusteeship, municipality, government or sovereignty; and without limit as to amount to draw, make, accept, indorse, assume, guarantee, account, execute and issue promissory notes, drafts, bills of exchange, acceptances, warranties, bonds, debentures, and other negotiable or non-negotiable instruments, obligations and evidences of unsecured indebtedness, or of indebtedness secured by mortgage, deed of trust or otherwise upon any or all income of the Trust, in the same manner and to the same extent as a natural person might or could do. To collect and receive any property, money, rents, or income of any sort and distribute the same or any portion thereof for the furtherance of the authorized Trust purposes set out herein.

(9) To do all other acts in their judgment necessary or desirable for the proper and advantageous management, investment, and distribution of the Trust Estate and income therefrom.

The whole title, legal and equitable, to the properties of the Trust is and shall be vested in the Trustees, as such title in the Trustees is necessary for the due execution of this Trust. Said Trustees shall have and exercise exclusive management and control of the properties of the Trust Estate for the use and benefit of the beneficiary; but may agree for approval of any or all of its actions and transactions by the governing board of the beneficiary.

The Trustees may contract for the furnishing of any services or the performance of any duties that they may deem necessary, or proper, and pay for the same as they see fit.

The Trustees may select depositories for the funds and securities of this Trust. Temporary Trustee or Trustees or Receiver appointed pursuant to paragraph 6 of Article VI hereof may employ special counsel to represent them and such special counsel's compensation shall be paid from revenues of the Trust Estate.

The Trustees may compromise any debts or claims of or against the Trust Estate, and may adjust any dispute in relation to such debts or claims by arbitration or

otherwise and may pay any debts or claims against the Trust Estate upon any evidence deemed by the Trustees to be sufficient. The Trustees may bring any suit or action, which in their judgment is necessary or proper to protect interest of the Trust Estate, or to enforce any claim, demand or contract for the Trust; and they shall defend, in their discretion, any suit against the Trust, or the Trustees or employees, agents or servants thereof. They may compromise and settle any suit or action, and discharge the same out of assets of the Trust Estate, together with court costs and attorneys' fees. All such expenditures shall be treated as expenses of executing this Trust.

No purchaser at any sale or lessee under a lease made by the Trustees shall be bound to inquire into the expediency, propriety, validity or necessity of such sale or lease or to see to or be liable for the application of the purchase or rental moneys arising therefrom.

ARTICLE VIII

BENEFICIARY OF TRUST

(1) The beneficiary of this Trust shall be the Town of Spencer _____, Oklahoma, a municipal corporation, under and pursuant to Title 60, Oklahoma Statutes 1961, Sections 176 to 180, both inclusive, and other statutes of the State of Oklahoma as presently in force and effect. Trustor now declares that this Trust Indenture shall be irrevocable from the moment it is signed by him and delivered to the Trustees, and that it shall thereafter stand without any power whatsoever at any time to alter, amend, revise, modify, revoke or terminate any of the provisions of this Trust Indenture.

(2) The beneficiary shall have no legal title, claim or right to the Trust Estate, its income, or to any part thereof or to demand or require any partition or distribution thereof. Neither shall the beneficiary have any authority, power or right, whatsoever, to do or transact any business for, or on behalf of, or binding upon the Trustees or upon the Trust Estate, nor the right to control or direct the actions of the Trustees pertaining to the Trust Estate, or any part thereof. The beneficiary shall be entitled solely to the benefits of this Trust, as administered by the Trustees hereunder, and at the termination of the Trust, as provided herein, and then only, the beneficiary shall receive the residue of the Trust Estate.

ARTICLE IX
TERMINATION OF TRUST

ECON-3313 PAGE 717

This Trust shall terminate -

- (1) When the purposes set out in Article III of this instrument shall have been fully executed; or
- (2) In the manner provided in Title 60, Oklahoma Statutes 1951, Section 180. Provided, however, that this Trust shall not be terminated by voluntary action if there be outstanding indebtedness or fixed term obligations of the Trustees, unless all owners of such indebtedness or obligations shall have consented in writing to such termination.

Upon the termination of this Trust, the Trustees shall proceed to wind up the affairs of this Trust, and after payment of all debts, expenses and obligations out of the moneys and properties of the Trust Estate to the extent thereof, shall distribute the residue of the money and properties of the Trust Estate to the Beneficiary hereunder. Upon final distribution, the powers, duties and authority of the Trustees hereunder shall cease.

ARTICLE X

The Trustees accept the Trust herein created and provided for, and agree to carry out the provisions of this Trust Indenture on their part to be performed.

IN WITNESS WHEREOF, the Trustor and the Trustees have hereunto set their hands on the day and year indicated.



Charlie F. Chandler, Trustor


W. A. Grandstaff


Arnold Teusink


Curtis Hall


Bob M. Morrison


O. C. Kelley

Trustees

WOM-551-3 PAGE 118
STATE OF OKLAHOMA)
COUNTY OF Delaware) SS

Before me, the undersigned, a Notary Public in and for said County and State,
on this 22nd day of January, 1966, personally appeared
Charlie F. Chandler, to me known to be the person who
executed the within and foregoing instrument and acknowledged to me that he
executed the same as his free and voluntary act and deed for the uses and
purposes therein set forth.

Given under my hand and seal the day and year last above written.

M. J. [Signature]
Notary Public

(SEAL)

My Commission expires January 14, 1968.

STATE OF OKLAHOMA)
COUNTY OF Delaware) SS

Before me, the undersigned, a Notary Public in and for said County and State,
on this 26th day of January, 1966, personally appeared
W. A. Grandstaff, Arnold Teusink, Curtis Hall, Bob M. Morrison,
and O. C. Kelley

to me known to be the identical persons who executed the within and foregoing instru-
ment and acknowledged to me that they executed the same as their free and voluntary
act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Margaret M. [Signature]
Notary Public

(SEAL)

My Commission expires January 14, 1968.

ACCEPTANCE

KNOW ALL MEN BY THESE PRESENTS:

That the Chairman of the Board of Trustees of the Town of Spencer, Oklahoma, a municipal corporation, hereby accepts the beneficial interest in the Trust created by the within and foregoing Trust Indenture, for and on behalf of said Beneficiary in all respects in accordance with the terms of said Trust Indenture.

WITNESS my hand as Chairman of the Board of Trustees of the Town of Spencer, Oklahoma, attested by the Town Clerk of the Town of Spencer, Oklahoma, pursuant to direction of said Chairman, this 26th day of January, 19 66.

Wm. H. Lough
Chairman of the Board of
Trustees

ATTEST:

Wm. H. Lough
Town Clerk

OFFICE OF THE SECRETARY OF STATE
STATE OF OKLAHOMA
CERTIFICATE

FILED

DEC 7 1987

OKLAHOMA SECRETARY
OF STATE

I, THE UNDERSIGNED, SECRETARY OF STATE OF THE STATE OF OKLAHOMA, DO HEREBY CERTIFY: That I am by the laws of said State, the custodian of the records of the State of Oklahoma relating to written instruments creating public trusts and I am the proper officer to execute this Certificate.

I FURTHER CERTIFY, pursuant to Title 60, Oklahoma Statutes 1981, Section 180.2(d), that a certified copy of the Trust Indenture dated as of January 26, 1966, creating the SPENCER UTILITIES AUTHORITY, City Hall, P.O. Box 266, 8300 N.E. 36th Street, Spencer, Oklahoma (73084), located in Oklahoma County, Oklahoma, in the City of Spencer, Oklahoma, was filed in my office on December 7, 1987.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 7th day of December, 1987.

SECRETARY OF STATE OF THE STATE
OF OKLAHOMA

Harmon D. Brooks
By: *Shirley Ann Smedley*

Filed by: Allan A. Brooks, III

Firm of: FAGIN, BROWN, BUSH, TINNEY, KISER & ROGERS

Address: 1900 First National Center
Oklahoma City, Oklahoma 73102

Received in the Office

DEC 7 1987

Shirley Ann Smedley

LEASE AGREEMENT AND
OPERATION AND MAINTENANCE CONTRACT

THIS LEASE AGREEMENT AND OPERATION AND MAINTENANCE CONTRACT dated as of December 1, 1993 (hereinafter called "Agreement"), by and between the City of Spencer, Oklahoma (hereinafter called "City"), a municipal corporation acting by its Mayor and City Council, and the SPENCER UTILITIES AUTHORITY (hereinafter called "Authority"), a public trust created under the authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 1991, Section 176 to 180.4, as amended and supplemented, and the Oklahoma Trust Act, amends and supersedes a Lease Agreement dated March 1, 1966, and recorded in Book 3324, Page 525 of the records of the Oklahoma County Clerk, between the City and the Authority and any other leases and/or amendments pertaining to the Facilities (as hereinafter defined), not specifically heretofore described (collectively, the "Original Lease").

W I T N E S S E T H :

WHEREAS, the Authority was created pursuant to an indenture dated as of January 26, 1966, for the use and benefit of the City pursuant to Title 60, Oklahoma Statutes 1991, Sections 176 to 180.4; and

WHEREAS, it has been determined beneficial to the City that the Authority incur indebtedness for the purpose of constructing improvements to the City's wastewater treatment system and refinancing certain outstanding indebtedness of the Authority, but hereafter for such purposes as may from time to time be determined by the Authority to be beneficial to the City (hereinafter collectively or individually called "Projects"); and

WHEREAS, in consideration of the Authority's agreement to make the referenced improvements and to refinance certain outstanding indebtedness and pursuant to Title 11, Oklahoma Statutes 1991, Section 35-201, as amended and supplemented, the City has determined to lease certain water rights and its presently existing and hereafter acquired water and sanitary sewer systems, together with all additions, betterments and improvements thereto and extensions thereof hereafter constructed or acquired by the Authority or the City (hereinafter called the "Facilities"), together with all appurtenances thereof and incidents thereto, more fully described in Section 1 hereof, to the Authority to enable the Authority to obtain financing secured by a pledge of its leasehold interest in the Facilities and the proceeds, fees, charges, revenues, income, rents, receipts, issues and benefits therefrom hereinafter called the "Revenues" and together with the Facilities and the "Trust Estate"); and

WHEREAS, the Authority has determined, in conformity with the desires of the City and to insure the continued efficient operation and maintenance of the Facilities, to operate and maintain the Facilities for and on behalf of the City during the term of this Agreement and to collect the Revenues therefrom.

RETURN TO: Fagin, Brown, Bush, Tinney & Kiser
1900 West First National Center
Oklahoma City, Oklahoma 73102

BOOK 657
PAGE 1178 - 1190
TIME 2:17:25
FEE 32.00
03/01/94
JOHN J GARVEY
OKLAHOMA COUNTY CLERK
RECORDED AND FILED

NOW, THEREFORE:

SECTION 1. The City, in consideration of the agreements of the Authority and the contribution of the projects to the health, safety and welfare of the City's citizens and residents, does by these presents demise, lease and rent to the Authority the following described property, real or personal or both, owned by or under the control of the City as follows:

(1) The real property and water rights described in Schedule A which is attached hereto and incorporated herein by reference;

(2) All of the presently existing water and sanitary sewer systems of the City and all appurtenances thereof presently belonging to the City, or under its custody, management or control, located within and without the corporate limits of the City, together with the right-of-ways, licenses, easements, permits to take and use ground water and other rights and privileges appertaining or related thereto;

(3) The real estate (including but not limited to that real estate described in Schedule "A" which is attached hereto) currently owned and utilized by the City for the operation of the existing water and sanitary sewer systems;

(4) All interest of the City in and to all unexpired leases and contracts heretofore or hereafter executed by the City pertaining to all or any part of said Facilities, including revenue and income to be received therefrom and retained by the City;

(5) All interest of the City in and to proceeds, fees, charges, revenues, income, rents, receipts, issues and benefits from the Facilities of the City; and

(6) All property, real, personal or mixed, together with all rights and privileges, appertaining or related thereto which hereafter may be acquired by or in the name of the City for use in connection with furnishing of water and sanitary sewer services to persons, firms, corporations and others within and without the corporate limits of the City; it being the intention of this paragraph that any of the foregoing, including income therefrom, immediately upon its acquisition shall be a part of the property leased and leased hereunder.

TO HAVE AND TO HOLD the same to the Authority for a term of fifty (50) years commencing December 1, 1993 and ending November 2043. Provided, that such term shall be extended beyond fifty years until all indebtedness payable from the Trust Estate, never issued, issued by the Authority and secured by the Trust Estate or payable from revenues derived therefrom, has been retired paid or provision for the payment thereof has been made.

The City hereby covenants and agrees that all or any part of the leasehold interest in the Facilities herein granted to the Authority may be pledged by the Authority as security for any indebtedness incurred by the Authority.

SECTION 2. In consideration of the agreements of the Authority, the City hereby covenants and agrees during the term of this Agreement set out in Section 1 above, as follows:

(1) To bill and collect all rates, charges and fees on a monthly basis, derived from the operation of the Facilities, and deposit same in a trustee or depository bank in the manner as may specifically be set out in any indenture or other instrument securing any indebtedness incurred by the Authority;

(2) To furnish for distribution through the Facilities a supply of water adequate to meet the demand of the users of the Facilities;

(3) To set such rates, fees and charges which shall be sufficient to satisfy all the provisions of any indenture or other instrument securing and providing for the payment of any indebtedness incurred by the Authority, including the establishment of and maintenance of any funds, reserves or accounts required pursuant to any indenture or other instrument securing such indebtedness;

(4) In accordance with the uniform rates, fees and charges to each and every user of the Facilities and the services thereof, and legal, to enforce payments of said rates, fees and charges by termination of water or other services to users delinquent in payment of the rates, fees and charges, and, in addition, by any other legally available means; the City will not permit any free use of any of the Facilities of the Trust Estate;

(5) Not to commit or allow any waste with respect to any of the Facilities;

(6) To comply faithfully and fully with and abide by every statute, rule, order and regulation now in force or hereafter enacted by any competent government agency or authority with respect to or affecting the Facilities or the operation and maintenance thereof, and to keep the Facilities and the Revenues of all parts thereof free from judgments, mechanic's and materialmen's liens and free from all other mortgages, liens, claims, demands and encumbrances of whatever nature or character to and that the priority of the pledge provided for in any indenture or other instrument properly entered into by the Authority may at all times be maintained and preserved free from claim or liability. The provisions set out in this paragraph of this Section 2 shall not prevent the transfer or possession of the Trust Estate or any part thereof to temporary trustees or a receiver for operation therein in accordance with the provisions of any indenture or other instrument securing the payment of any indebtedness incurred by the Authority;

(7) To carry, as long as any indebtedness of the Authority secured by a pledge of the Authority's leasehold interest in the Facilities and the Revenues therefrom is outstanding, the insurance required to be carried by the Authority under the terms of any indenture or instrument relating to such indebtedness and to apply the proceeds of any such insurance in accordance with the terms of such indenture, indentures or other instrument;

(8) To keep proper books of record and account of all transactions relating to the Trust Estate in accordance with the terms established by the Authority and to cause statements and audits to be furnished to the Authority and other designated parties in accordance with the terms to be provided for by the Authority;

(9) To promptly institute and diligently prosecute appropriate proceedings in eminent domain for the condemnation of lands or interest therein necessary for the construction or acquisition of any improvement or betterment to or extension of the properties of the Trust Estate which has been approved by the governing body of the City, the costs and expenses of such proceedings and the award of damages as a result thereof to be paid by the Authority unless otherwise agreed to by the parties hereto, title to all such property to be taken in the name of the City and upon acquisition to become part of the properties leased to the Authority hereunder and to be included in the Trust Estate;

(10) The City and the Authority will agree at any time to amend this Agreement to transfer the responsibility of operation and maintenance of the Facilities or any part thereof from the Authority to the City; provided, that the City hereby agrees that the Authority may provide for the operation and maintenance of the Facilities by a temporary trustee or a receiver in the event there is a default under any indenture or other instrument securing indebtedness incurred by the Authority; and in such event, the City will cooperate fully with such provisions; and

(11) To be bound by and keep and perform all covenants, acts and things by it to be kept and performed according to the true intent and meaning of any indenture or instrument executed by the Authority, the Trust Indenture and this Agreement.

SECTION 3. In consideration of the agreements of the City, the Authority hereby covenants and agrees during the term of this Agreement set out in Section 1 above, as follows:

(1) To procure financing and to expend the proceeds thereof for the expansion of the sanitary sewer system and to procure financing in the future for other approved projects as shall be mutually agreeable by the parties;

(2) To fix, with the consent of the City, a schedule of uniform and non-discriminatory rates, fees and charges for the use of the Facilities and for services supplied by the Facilities such as will provide in any year revenues sufficient to pay monthly debt service requirements including the principal of and interest on all indebtedness incurred by the Authority including the establishment of and maintenance of any funds, reserves or accounts required pursuant to any indenture or other instrument securing such indebtedness;

(3) To adjust the rents, rates, fees and charges for the services supplied by the use of the Facilities to reflect uniform changes in such rents, rates, fees and charges requested from time to time by ordinance or resolution of the governing body of the City, provided that such adjustments and changes in such rents, rates, fees and charges do not in any way impair the ability of the Authority to comply fully with any covenant contained in any indenture or other instrument securing indebtedness of Authority;

(4) From the Revenues of the Facilities paid by the City to the Authority as hereinafter provided, to maintain and operate in first class condition, keep in good repair and make necessary replacements, extensions and improvements of the Facilities and from said Revenues to protect and hold the City harmless from damages due to injury to persons or property arising by reason of the Authority's operation, maintenance, repair, replacement, extension and improvement of the Facilities;

(5) To submit to the City each month during the term of this Agreement an itemized statement of all costs and expenses of operation, maintenance, repairs, replacements, extensions and improvements of the Facilities including the cost of holding the City harmless from damages to persons or property.

(6) To receive the monies transferred to it by the City or by direction of the City each month and to use said monies to pay all costs and expenses of operation, maintenance, repairs, replacements, extensions and improvements of the Facilities, including the cost of water and electricity and other related fees and expenses and the cost of holding the City harmless from damages to persons or property;

(7) To incur only such indebtedness secured by the Trust Estate as may be authorized in the Trust Indenture creating the Authority and as may be approved from time to time by ordinance or resolution of the governing body of the City;

(8) To do all things necessary and proper to perform the purposes of the Trust within the scope of the powers and duties set forth in the Trust Indenture and within the scope of any indenture or other instrument securing the payment of any indebtedness incurred by the Authority, including the payment of principal, interest and the accumulation of reserve requirements as may be provided for in such indenture or other instrument securing same;

(9) To do any and all things required to be done by it under the terms of this Agreement, and cooperate with the City to the end that the Facilities may be efficiently operated and maintained.

SECTION 4. The Authority hereby agrees with the City that the full legal title to the Facilities shall be vested in the City and the Facilities shall be operated and maintained by the Authority, provided upon the expiration of this Agreement, all right, title and interest of the Authority in the Facilities shall revert to the City.

SECTION 5. The City and the Authority may, from time to time and at any time, amend this Agreement, provided, any amendment shall not be inconsistent with the terms and provisions hereof nor with the terms and provisions of any indenture securing the payment of indebtedness incurred by the Authority, for the following purposes:

- (a) To cure any ambiguity or formal defect, inconsistency or omission in this Agreement or to clarify matters or questions arising thereunder; or
- (b) To add additional covenants and agreements for the purpose of securing the payment of indebtedness incurred by the Authority; or
- (c) To confirm as further assurance any pledge of additional revenues, monies, securities or funds; or
- (d) For the purposes set out in Section 2(10) hereof.

From and after the incurrence of any indebtedness, this Agreement shall not be assigned by either party, provided, however, it may be assigned and pledged pursuant to any indenture and/or mortgage securing the payment of indebtedness incurred by the Authority.

SECTION 6. Indebtedness incurred by the Authority shall not constitute an indebtedness of the State of Oklahoma nor of the City, nor be personal obligations of the Trustees of the Authority, but such indebtedness shall be special obligations of the Authority, payable solely from the revenues of the Trust Estate or portions thereof as may be set out in any indenture or other instrument securing the payment of such indebtedness.

SECTION 7. The provisions of this Agreement shall be deemed severable. If it shall ever be held by a court of competent jurisdiction that any one or more sections, clauses or provisions of this Agreement is invalid or ineffective for any reason, such invalidity shall not affect the validity and effectiveness of the remaining sections, clauses and provisions thereof.

SECTION 8. It is the contemplation of the parties and the City hereby agrees that facilities built with approved sources of financing and any additional financing shall be fully integrated with the existing Facilities of the City, for the purposes of operation, maintenance, repair, replacement, extension and improvement. In the event of the Authority's default under any indenture or other instrument securing indebtedness incurred by the Authority which results in the appointment of temporary or permanent receivers or trustees for the Trust Estate of the Authority, or any part thereof, the City hereby agrees to perform with respect to such receivers or trustees, all covenants and agreements herein undertaken with respect to the Authority.

In the event of the City's default hereunder resulting in the Authority (or receivers or temporary trustees) taking over operation of the Facilities, the City agrees to continue to perform the agreements of the City set out in Section 2 hereof, and promptly remit all revenues from the Facilities to the Authority.

IN WITNESS WHEREOF, the City has caused this instrument to be signed by its Mayor and City Clerk and its seal affixed, and the Authority has caused this instrument to be signed by its Chairman and Secretary and its seal affixed, all as of the 1st day of December, 1993.

SPENCER, OKLAHOMA

Bill Earnest
Mayor

(SEAL)
ATTEST:
Ry. B. B. B.
City Clerk

SPENCER UTILITIES AUTHORITY

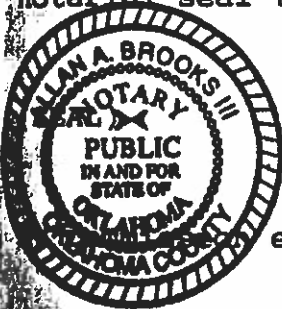
Bill Earnest
Chairman

UTILITIES AUTHORITY
(SEAL)
ATTEST:
Ry. B. B. B.
Secretary

STATE OF OKLAHOMA)
)SS
COUNTY OF OKLAHOMA)

BEFORE ME, the undersigned, a Notary Public in and for said State, on the 16th day of December, 1993, personally appeared C. W. Earnest, Mayor and Ruby Bertolasio, City Clerk of the City of Spencer, and to me further known to be the identical persons who subscribed the name of said City as one of the makers thereof, to the foregoing instrument as its Mayor and City Clerk, respectively, and acknowledged to me that they executed the same as their free and entirely voluntary act and deed and as the free and voluntary act and deed of said City, for the uses and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
notarial seal the day and year aforesaid.



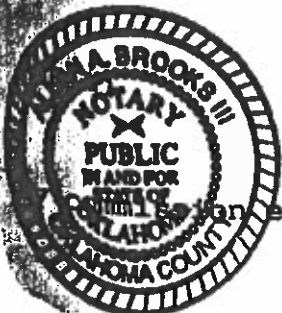
Notary Public

expires: 6/3/97

STATE OF OKLAHOMA)
) SS
COUNTY OF OKLAHOMA)

BEFORE ME, the undersigned, a Notary Public in and for said State, on the 16th day of December, 1993, personally appeared C. W. Earnest, Chairman and Ruby Bertolasio, Secretary of the Trustees of the Spencer Utilities Authority, the makers of the above and foregoing instrument of writing, and to me further known to be the identical persons who subscribed the names of the makers thereof to the foregoing instrument, and acknowledged to me that they executed the same as their free and voluntary act and deed, and as the free and voluntary act and deed of said Trustees for the uses and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
notarial seal the day and year aforesaid.



Notary Public

Expires: 6/3/97

LAW OFFICE
JOHANNING AND BYROM, P.C.
OKLAHOMA CITY

Doc # 2007122648
Blk 10584
Pg 778-784
DATE 08/22/07 16:29:49
Filing Fee \$29.00
Documentary Tax \$0.00
State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Caudill

**AMENDMENT
TO
LEASE**

THIS AMENDMENT TO LEASE, made and entered into by and between the City of Spencer, Oklahoma, a municipal corporation (hereinafter called "Lessor"), and the Trustees of the Spencer Utilities Authority, a public trust, as hereinafter set forth (hereinafter called the "Lessee"),

W I T N E S S E T H:

WHEREAS, the parties hereto entered into a Lease dated as of December 1, 1993, and recorded in the office of the County Clerk of Oklahoma County, Oklahoma in Book 6567 at Page 1179; and

WHEREAS, the parties have agreed to amend the said Lease by adding property thereto;

Emw
Johanning and Byrom, P.C.
Attorneys at Law
3134 NW 23rd Street
Oklahoma City, Oklahoma 73107
9/29/08

**LAW OFFICE
JOHANNING AND BYROM, P.C.
OKLAHOMA CITY**

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL ADVANTAGE AFFORDED THEREBY TO EACH OF THE PARTIES, THE SAID LEASE HEREBY IS AMENDED AS FOLLOWS:

1. Section 1 thereof is amended by adding the following immediately following subsection (2) of said Section 1 the following:

"All of the garbage and trash collection, transportation, processing and disposal facilities, including all tangible property, real and personal, and all interests therein appertaining or related thereto or used in connection therewith, and all rights-of-way, easements, licenses, and other rights and privileges appertaining or related thereto or to the use thereof, now belonging to said City or under its custody, management or control; and"

2. This Amendment shall be effective as of July 1, 2007.
3. In all other respects, all of the terms and provisions of said Lease shall remain in full force and effect.
4. The real property described in said Lease is that shown upon Schedule A attached hereto and made a part hereof.

LAW OFFICE
JOHANNING AND BYROM, P.C.
OKLAHOMA CITY

IN WITNESS WHEREOF, the City of Spencer, Oklahoma, a municipal corporation, as Lessor, and the Trustees of the Spencer Utilities Authority, a public trust, as Lessee, have hereunto set their hands, executing this Amendment to Lease in several multiple originals, all of which constitute one and the same instrument, on this 14th day of August, 2007.

CITY OF SPENCER, OKLAHOMA

By [Signature]

Mayor

ATTEST: (Seal)

[Signature]
City Clerk

SPENCER UTILITIES AUTHORITY

By [Signature]

Chairman of Trustees

ATTEST: (Seal)

[Signature]
Secretary of Trustees

ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) SS:
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me this 16th day of August, 2007, by Earnest Ware, Mayor of the City of Spencer, Oklahoma, a municipal corporation, on behalf of said City.



Patty Elder
Notary Public

My Commission Expires:

3-10-2009

My Commission Number:

01001512

ACKNOWLEDGMENT

STATE OF OKLAHOMA)
) SS:
OKLAHOMA COUNTY)

The foregoing instrument was acknowledged before me this 16th day of August, 2007, by Earnest Ware, Chairman of Trustees of the Spencer Utilities Authority, a public trust, on behalf of the trust.



Patty Elder
Notary Public

My Commission Expires:

3-10-2009

My Commission Number:

01001512

SCHEDULE A

The real property situated in Oklahoma County, State of Oklahoma, and more particularly described as follows:

Donna Lane Well and Water Tower

A Part of the Southeast Quarter (SE $\frac{1}{4}$), Section 23, Township 12 North, Range 2 West of the Indian Meridian, Oklahoma County, Oklahoma, previously known as a Part of Lots 1 and 2, Block 4, MARSHALL HEIGHTS ADDITION, now vacated, more particularly described as follows: Commencing at the Southwest Corner of Said S.E. $\frac{1}{4}$; thence Due North 1067.08 feet; thence S 89°57'00" E and along the South Line of vacated Block 4, MARSHALL HEIGHTS ADDITION for a distance of 567.79 feet; thence N 70°43'00"E for a distance of 277.89 feet to the point of beginning; thence continuing 70°43'00"E for a distance of 95.35 feet to a point on the West Right-of-Way Line of Donna Lane; thence N 0°00'16" W for a distance of 100.0 feet; thence N 89°57'00"W for a distance of 90.00 feet; thence S 0°00'16" E for a distance of 131.57 feet to the point of beginning. Contains 10,420.44 square feet, more or less.....

and

Being a Part of Lot 11, Block 4, MARSHALL HEIGHTS ADDITION to City of Spencer, Oklahoma County, Oklahoma. Being a Part of the Southeast Quarter (SE $\frac{1}{4}$) of Section 23, Township 12 North, Range 2 West of the I.M., more particularly described as follows: Beginning at the Southwest Corner of Lot 11, thence S 89° 57' E along the South Line of Said Lot 11 a distance of 262.31 feet said point being 90.00 feet West of the Southeast Corner of Lot 11; thence N 00° 00' 16" W and parallel to the East Line of Said MARSHALL HEIGHTS ADDITION for a distance of 92.00 feet to a point on the Northwesterly Line of Said Lot 11; thence S 70° 43' W and along the North Line of Lot 11 a distance of 277.89 feet to the point of beginning. Contains: 12,066.31 square feet, more or less.....

and

All of Lot Eleven (11), Block Four (4), Marshall Heights Addition, Oklahoma County, Oklahoma, according to the recorded plat thereof.

N.E. 50th and Poole Well and Water Tower

Lot 9 of England-Heights Addition, a part of the Southeast Quarter of Section Eleven (11), Township Twelve (12) North, Range Two (2) West of the I.M. described as follows: BEGINNING Twenty one hundred and fifty (2150) feet East and Thirty (30) feet North of the Southwest corner of the Southeast Quarter of Section Eleven (11) Township Twelve (12) North, Range Two (2) West for a place or point of beginning; Thence East twenty-five (25) feet, Thence North one hundred forty (140) feet, Thence West Twenty-five (25) feet, Thence South one hundred forty (140) feet to the place or point of beginning

and

The North 21.51 feet of Lot 30 and the South 30.49 feet of Lot 29 Block Nine (9) of Roger Givens Southwest Addition, as shown by the recorded plat thereof; more particularly described as follows; Beginning at the NW corner of Lot 30; thence Southeasterly along the West line of Lot 30, a distance of 22.52 feet; thence Easterly and parallel to the North line of Lot 30 to the East line of Lot 30; thence Northwesterly along the East line of Lot 30 a distance of 21.86 feet to the Northeast corner of Lot 30; thence Northwesterly along the East line of Lot 29 a distance of 30.98 feet; thence Westerly and parallel to the South line of Lot 29 to the West line of Lot 29; thence Southeasterly along the West line of Lot 29 a distance of 32.60 feet to the Northwest corner of Lot 30 and point of beginning

Shadynook Well and Storage Tank

Lot 15, Block 9, East Spencer Addition, Section 4, according to the recorded plat thereof, except mineral interests heretofore conveyed of record

33rd Street Well

Lot seventeen (17) Block One (1) Bristow Plainview Hill's To town of Spencer, Oklahoma

Sewer Lagoons and Treatment Facility

Twenty-seven (27) acres in the Southeast Quarter (SE4) of Section Two (2), Township Twelve (12) North, Range Two (2) West of the Indian Meridian, consisting of all of Government Survey Lot Five (5) of said Section Two (2) and the South One Hundred Fourteen and fourteen-hundredths (114.14) feet of Government Survey Lot Four (4) of said Section Two (2): EXCEPTING AND RESERVING unto the grantor, his heirs, executors, administrators, and assigns, forever, any and all of the undivided interest now owned by grantor in and to the oil, gas and minerals in and under the same, and in and to any and all oil, gas and mineral rights with respect to the same

Well Yard

A part of the Southeast Quarter of Section Eleven (11), Township Twelve (12) North, Range Two (2) West of the I.M. described as follows; BEGINNING Twenty one hundred (2100) feet East and Thirty-three (33) feet North of the Southwest corner of the Southeast Quarter of Section Eleven (11), Township Twelve (12) North, Range 2 West for a place or point of beginning; Thence East fifty (50) feet, Thence North one hundred forty (140) feet, Thence West Fifty (50) feet, Thence South One hundred forty (140) feet to the point or place of beginning

Post Road Well and Water Tower

The South One Hundred Thirty-two (132) feet of the North Half (N/2) of the Northeast Quarter (NE/4) of the Southeast Quarter (SE/4) of the Southeast Quarter (SE/4) of Section Thirteen (13), Township Twelve (12) North, Range Two (2) West of the Indian Meridian, in Oklahoma County, Oklahoma; SUBJECT to easements and rights of way of record, and LESS and EXCEPT mineral interests previously reserved or conveyed;

LAW OFFICE
JOHANNING AND BYROM, P.C.
OKLAHOMA CITY

CERTIFICATE

I, the undersigned City Clerk of the City of Spencer, Oklahoma, hereby certify that the foregoing is a true, correct and complete copy of an Amendment to Lease between the said City and the Spencer Utilities Authority, a public trust, dated this 16th day of August, 2007.

Nicholas
City Clerk, City of Spencer, Oklahoma

(Seal)