

2167 H.E. 154

1986550

Recorded MAR 17 1964 at 2:50 p.m.
Request of Grant Bagley
Fee Paid HAZEL HAGGART CHASE
Recorder, Salt Lake County, Utah
\$ 31.00 By P. J. [Signature] Deputy
Ref. 65 So. Main St.

LEASE

THIS LEASE AGREEMENT (herein called "Lease") dated as of December 1, 1963, between PETROLEUM FACILITIES, INC. (a Delaware corporation having an office at One Sansome Street, San Francisco, California, herein called "Lessor") and the following (herein collectively called "Lessees" and individually called a "Lessee": STANDARD OIL COMPANY OF CALIFORNIA (a Delaware corporation); STANDARD OIL COMPANY (a Kentucky corporation); SIGNAL OIL COMPANY (a division of Standard Oil Company of California, a Delaware corporation); CALIFORNIA OIL COMPANY (a California corporation); CALIFORNIA OIL COMPANY (a California corporation), doing business as STANDARD OIL COMPANY OF CALIFORNIA; and CALIFORNIA OIL COMPANY (a California corporation), doing business as STANDARD OIL COMPANY OF TEXAS; each having an address as follows: c/o Standard Oil Company of California, 225 Bush Street, San Francisco, California;

WITNESSETH:

Lessor, for and in consideration of the payments hereinafter stipulated to be made by Lessees, and the covenants and agreements hereinafter contained to be kept and performed by Lessees, does by these presents demise, lease, sublease, let, sublet (demise, lease, sublease, let and/or sublet hereinafter termed "lease"), for the respective terms and upon the respective conditions hereinafter stated, the lands and premises and/or leasehold estates more particularly described in the Schedules "1" hereto attached and by reference thereto made a part hereof for all purposes, together with all buildings, structures, fixtures and improvements thereon and together with all buildings, structures, fixtures and improvements substituted therefor pursuant to paragraph 4 hereof (all of said lands, premises, leasehold estates, buildings, structures, fixtures and improvements, being herein, together with all rights of way or use, servitudes, licenses and easements appurtenant thereto, sometimes referred to as "Properties" and those of said lands, prem-

ises and leasehold estates more particularly described in each of said Schedules "1", together with all buildings, structures, fixtures and improvements thereon and together with all buildings, structures, fixtures and improvements substituted therefor pursuant to paragraph 4 hereof and together with all rights of way or use, servitudes, licenses and easements appurtenant thereto, sometimes referred to as a "Facility") unto the Lessees as follows:

Lessee	Such of the Facilities as said Schedules "1" indicate being situate in
Standard Oil Company of California	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon and Washington, except those Facilities as are noted on said Schedules "1" as being leased hereby to another Lessee.
Standard Oil Company.....	Alabama, Florida, Georgia, Kentucky and Mississippi.
Signal Oil Company.....	Arizona, California, Oregon and Washington (and as are noted on said Schedules "1" as being leased hereby to such Lessee).
California Oil Company.....	Colorado, Connecticut, Montana, Nebraska, New Hampshire, New Jersey and New York.
California Oil Company, doing business as Standard Oil Company of California	Idaho (and as are noted on said Schedules "1" as being leased hereby to such Lessee) and Utah.
California Oil Company, doing business as Standard Oil Company of Texas	New Mexico and Texas.

1. *Term.* Subject to other provisions hereof, this Lease shall remain in force and effect with respect to each Facility for a term of 25 years commencing on the date first set forth in the Schedule "3" hereto with respect to such Facility and ending at the close of business on the same date in the twenty-fifth year thereafter.

If any Facility or any part thereof constitutes a leasehold estate, the date of expiration of any such leasehold estate shall be at least two days after the last rental payment date hereunder with respect to such Facility, and this Lease shall remain in force and effect as a sublease with respect thereto for a term commencing on the first date referred to in the preceding sentence and ending at the close of business on the day next succeeding such last rental payment date hereunder. In determining the date of expiration of any such leasehold estate, the duration thereof shall be deemed to include the original term of such estate plus any period or periods covered by an option or options to renew (which term includes any right or power requiring different affirmative action but having the same effect) or covered by a right or rights or power or powers to effect a renewal or extension through inaction.

2. *Semi-annual Rentals.* As the basic rental consideration herefor, each Lessee hereby binds and obligates itself to pay, with respect to each Facility leased to it, on each and every date specified in the Schedule "2" hereto attached and by reference thereto made a part hereof for all purposes (each and every such date being herein referred to as a "rental payment date") with respect to such Facility, to Lessor at Lessor's office in San Francisco, California, or such other place as Lessor may designate, the semi-annual rental installment set forth in said Schedule "2" with respect to such rental payment date less, in the case of the rental payment date which occurs on June 1, 1964, an amount which bears the same ratio to \$2,044.95 as the Value of such Facility on December 1, 1963 (as set forth in Schedule "3") bears to \$16,000,000 and plus, in the case of the rental payment date which occurs on December 1, 1963, the same amount.

The obligations of Lessees to pay the rentals under this Lease (including additional rentals hereunder), or sums equal thereto, are and shall be deemed separate, absolute, unconditional, independent covenants without any right of set-off for any reason whatsoever and shall not be abated, deferred or diminished on account of loss, destruction or deterioration of, damage to, by fire, casualty, eminent domain, Act of God or enemy, or otherwise, or restriction of the use or occupancy of, any Facility or any part thereof, or for any other cause. This Lease shall be deemed and construed to be a "net lease" and Lessor shall receive, except as otherwise expressly provided, all rentals and all payments hereunder to be made by Lessees free from any charges, taxes, assessments, fees, impositions, expenses or deductions of any and every kind or nature whatsoever.

3. *Assignment of Lessor's Interest.* Lessor may at any time and from time to time assign to any person, firm or corporation (herein called "Assignee"), by way of pledge or otherwise, any or all of the rights (in whole or in part) of Lessor under this Lease. Any Assignee may enforce any and all of the terms of this Lease, to the extent so assigned, as though the Assignee had been a party hereto. No action or failure to act on the part of Lessor shall adversely affect or limit any rights of any Assignee. No assignment shall release Lessor from any of its obligations under this Lease or constitute an assumption of any such obligations on the part of any Assignee.

4. *Alterations, Additions and Substitutions.* Each Lessee shall have the right at any time and from time to time during the term hereof: (a) to install and erect such equipment, facilities, and additional buildings, structures, fixtures and improvements on lands or premises subject hereto and leased to it, as it may see fit, and to alter, remove and dispose of any of such equipment, facilities, and additional buildings, structures, fixtures and improvements at will, free of any right or claim of Lessor, (b) to alter any one or more of the buildings, structures, fixtures and improvements constituting part of any Facility leased to

it, provided that no such alteration shall substantially lessen the then net book value of such Facility and (c) to remove from the lands or premises and dispose of, free of any right or claim of Lessor, any buildings, structures, fixtures or improvements constituting part of any Facility leased to it, upon substituting therefor other buildings, structures, fixtures or improvements of substantially the same then net book value, provided that if such Lessee has given notice of termination of this Lease with respect to such Facility pursuant to paragraph 12 or paragraph 15 hereof, no such substitution need be made.

5. *Destruction, Damage and Deterioration.* If, during the term hereof, any part of any Facility shall be destroyed or damaged from any cause, the Lessee to which such Facility is leased hereby shall have the right, but, except as provided in paragraph 8(B) hereof, shall not be obligated, to rebuild, replace or repair the same at its own risk and expense. Lessor shall be under no obligation to rebuild, replace, maintain or make any repairs to any part of any Facility. The rentals hereunder shall not be abated, deferred or diminished as the result of damage to, or destruction or deterioration of, any part of any Facility.

6. *Maintenance.* Each Lessee has received the Facilities leased to it in good order and condition and, subject to the provisions of paragraphs 4, 5, 8 and 10, shall keep them in the same order and condition, ordinary wear and tear excepted, during the respective terms hereof with respect to such Facilities.

7. *Taxes and Other Charges.*

(A) Each Lessee, with respect to each Facility leased to it, during the term hereof with respect to such Facility, shall render for taxation and pay or cause to be paid, as additional rental hereunder, all ad valorem taxes, assessments, impositions or other similar charges lawfully assessed against such Facility and all miscellaneous taxes lawfully assessed against Lessor or its business as a result of the ownership of such Facility, shall pay or cause to be paid, as additional rental here-

under, all amounts owing as rents or otherwise with respect to any leasehold estate constituting such Facility or any part thereof, and shall perform, or cause to be performed, any and all other obligations of Lessor, as lessee, with respect to any such leasehold estate. Such charges and amounts may be paid in the name of Lessor or such Lessee. Such Lessee, its assignees and sublessees shall comply with all valid Federal, state, county and municipal laws, rules, regulations and ordinances affecting such Facility or the use thereof.

Each Lessee covenants to furnish to Lessor and Assignee upon written demand by Lessor or Assignee proof of the payment of any tax, assessment, imposition or other similar charge on the Properties that is payable by such Lessee as in this paragraph 7(A) provided.

(B) Each Lessee shall, with respect to each Facility leased to it, during the term hereof with respect to such Facility, pay or cause to be paid to Lessor or as directed by Lessor, as additional rental hereunder, such amounts as are necessary to discharge in full Lessor's operating expenses attributable to this Lease as it relates to such Facility, including without limiting the generality of the foregoing, printing and mailing expenses, officers' and employees' salaries, legal and accounting fees, local, corporate franchise, State income and excess profits, and miscellaneous business taxes and Lessor's expenses and taxes in connection with the issuance of any of its securities or in connection with any contracts to which it is a party. At the option of and to the extent desired by each Lessee, such Lessee may perform or cause to be performed, at its expense, accounting, clerical, secretarial, tax and other services with respect to this Lease which would otherwise have to be performed by officers or employees of Lessor, in which event the expense to such Lessee shall be deemed to be additional rental hereunder.

8. *Indemnification and Casualty Loss.*

(A) Each Lessee shall, with respect to each Facility leased to it, protect, indemnify and save harmless Lessor from and against: (i)

any and all liability, damage, expense, causes of action, suits, claims, demands or judgments of any nature whatsoever arising from injury to persons or property on such Facility, or in any manner growing out of or connected with the use and occupancy of such Facility or resulting from the condition of such Facility during the term of this Lease, except, as to Facilities, if any, situate in the State of Massachusetts, injury, loss or damage arising from omission, fault, negligence or other misconduct of Lessor in or about the properties or on or about the elevators, stairways, hallways, passageways, or other appurtenances used in connection therewith, and not within the exclusive control of such Lessee, and (ii) any liability for violation of conditions, agreements, restrictions, laws, ordinances or regulations affecting such Facility or the ownership, occupancy or use thereof.

(B) If any Facility, or any substantial part thereof, shall be destroyed or substantially damaged from any cause, the Lessee to which such Facility is leased hereby shall, unless prior to such destruction or damage notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, (i) promptly rebuild, replace or repair the same at its own risk and expense or (ii) within 30 days after such destruction or damage, give notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 15 hereof.

(C) Should any mechanics' liens at any time during the term of this Lease be contracted or caused or permitted by any Lessee to be filed against any Facility leased to such Lessee and then subject hereto, such Lessee shall cause the same to be discharged of record or bonded with a surety company, in an amount satisfactory to Lessor, within forty days after actual notice is received by such Lessee of the filing of the same.

(D) Each Lessee covenants and agrees that if it shall at any time fail to pay any tax, assessment, imposition, or shall fail to make any other payment or perform any other act on its part to be made or per-

formed as in this Lease provided, then Lessor may, but shall not be obligated so to do, and without prior notice to or demand upon such Lessee and without waiving or releasing such Lessee from any obligations of such Lessee in this Lease contained, pay any tax, assessment or imposition and make any other payment or perform any other act on the part of such Lessee to be made and performed as in this Lease provided. All sums so paid by Lessor and all necessary and incidental costs in connection with the performance of any such act by Lessor, together with interest at the rate of 6% per annum from the date of the making of such expenditure by Lessor, shall be deemed additional rental hereunder, and shall be payable to Lessor on demand as additional rental and such Lessee covenants to pay any such sum or sums with interest as aforesaid.

9. *Letting and Subletting.* Each Lessee is granted the right, during the term hereof, to let or sublet each Facility leased to such Lessee; provided, that no such act on the part of such Lessee shall operate to relieve it of any of its obligations hereunder.

10. *Eminent Domain.* Lessor shall be entitled to receive the entire proceeds of any Facility or any part thereof condemned by, or sold to, any Government, governmental agency or corporation having power of eminent domain, and the Lessee to which such Facility is leased hereby shall pay, as additional rental hereunder, all costs and expenses incurred by Lessor and such Lessee in connection with such condemnation or sale. Lessor shall have the right, with the consent of the Lessee to which such Facility is leased hereby, to sell any Facility or any part thereof to any Government, governmental agency or corporation having the power of eminent domain, whenever condemnation thereof is threatened. Such Lessee shall prepare all the deeds of conveyance and shall pay any taxes imposed on such conveyances. In the event of the condemnation or sale of a part of any Facility as contemplated by this paragraph 10, the Lessee to which such Facility is leased hereby shall,

unless prior to such condemnation or sale notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, (i) require Lessor, and Lessor agrees, to apply the proceeds of such condemnation or sale, or a part thereof, as may be necessary to the end that such part of such Facility as then remains may be used for generally the same purposes as such Facility was being used at the time of such condemnation or sale, to the restoration, repair, replacement, rebuilding or alteration of such part of such Facility as then remains, or (ii) within 30 days after such condemnation or sale, give notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 15 hereof; in the event of the condemnation or sale of all of any Facility as contemplated by this paragraph 10, the Lessee to which such Facility is leased hereby shall, unless prior to such condemnation or sale notice of termination of this Lease with respect to any Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, within 30 days after such condemnation or sale, give notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 15 hereof. In the event that any Lessee, pursuant to this paragraph 10, gives notice of termination of this Lease with respect to any Facility leased to it pursuant to the provisions of paragraph 15 hereof, such Lessee shall, to the extent of such Lessee's obligations under paragraph 15, be credited with an amount equal to the proceeds of any such condemnation or sale of such Facility or any part thereof, and, if said proceeds exceed the amount required to be paid by such Lessee to Lessor pursuant to paragraph 15, Lessor shall pay such excess to such Lessee. Unless and until this Lease terminates with respect to any Facility, the rentals hereunder with respect to such Facility shall not be abated, deferred or diminished on account of any act, proceeding, sale or conveyance provided for in this paragraph, or on account of a failure or partial failure of title to such Facility. If, prior to a condemnation or sale of any Facility or any part thereof referred to in

this paragraph 10, notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, Lessor shall pay to the Lessee to which such Facility is leased hereby the proceeds of such condemnation or sale.

11. *Default Provisions and Termination.* If any Lessee shall default in the payment of any rental installment or other sums due hereunder when the same shall be due and payable; or if any Lessee shall fail to perform any of the covenants contained in paragraphs 16, 17 and 18 hereof on its part to be performed and observed; or if any Lessee shall fail to perform any of the other covenants contained herein on its part to be performed and observed and such failure shall not be remedied within 25 days after receipt by such Lessee of written notice thereof given by Lessor or Assignee; or if any Lessee shall make an assignment for the benefit of creditors or be adjudicated bankrupt, or if any trustee or receiver shall be appointed for any Lessee or any substantial part of its assets and any such trustee or receiver shall not be discharged within 60 days; or if any Lessee shall commence as a debtor any proceedings under any bankruptcy, insolvency, reorganization, readjustment of debt, dissolution or liquidation law or statute of the Federal government or any state or territorial government or any subdivision of either now or hereafter in effect; or if any such proceedings shall be commenced against any Lessee, or any such trustee or receiver shall be appointed, and such Lessee shall by any act or failure to act indicate approval of, consent to, or acquiescence in, such proceedings or in the appointment of any such trustee or receiver, or if any such proceedings brought against such Lessee shall be approved by any court or shall remain undismissed for 60 days; or if any warrant of attachment shall be issued against any substantial part of the property or assets of any Lessee, and shall not be released within 30 days after its levy; or if any substantial obligation or liability for borrowed money or any substantial indebtedness on any lease, of any Lessee, shall become or be declared due and payable prior to its

stated maturity date or date when payment thereof would otherwise be due; then, in any such event, this Lease shall forthwith terminate upon written notice to that effect to Lessees by Lessor or Assignee, and Lessees shall immediately vacate the Properties and deliver possession thereof to Lessor, but nevertheless Lessees shall remain liable for the unpaid rentals and all other sums payable by Lessees hereunder, or amounts equal thereto, as such rentals or other sums shall or would have become due. With respect to each Facility, there shall be credited against such unpaid rentals and other sums, or amounts equal thereto, the net proceeds realized from the leasing of such Facility, to any third party during the remainder of the term of this Lease with respect to such Facility, after first deducting from such proceeds all costs and expenses incurred in connection with such leasing, attorneys' fees, brokerage and expenses of keeping such Facility in good order or preparing the same for leasing. Lessor shall have the right but shall not be obligated to lease the Properties or any part thereof before proceeding against Lessees on Lessor's claim for unpaid rentals and other sums, or amounts equal thereto, due hereunder.

12. *Termination of Lease With Respect to any Facility.* Each Lessee may at any time, and, if so required by any provision of this Lease, shall on the required date or within the required period, give notice of termination of this Lease with respect to any Facility leased to such Lessee (or, as the case may be, the Facility leased to it with respect to which such notice of termination is required) to Lessor and Assignee, but only if Lessor shall have received on or before the date of notice of termination of this Lease with respect to such Facility:

(i) if the date of termination specified in such notice of termination occurs after the date hereof to and including December 1, 1964, one dollar plus cash in an amount equal to 104.5% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(ii) if the date of termination specified in such notice of termination occurs after December 1, 1964 to and including December 1, 1965, one dollar plus cash in an amount equal to 104.2% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(iii) if the date of termination specified in such notice of termination occurs after December 1, 1965 to and including December 1, 1966, one dollar plus cash in an amount equal to 103.9% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(iv) if the date of termination specified in such notice of termination occurs after December 1, 1966 to and including December 1, 1967, one dollar plus cash in an amount equal to 103.6% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(v) if the date of termination specified in such notice of termination occurs after December 1, 1967 to and including December 1, 1968, one dollar plus cash in an amount equal to 103.3% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(vi) if the date of termination specified in such notice of termination occurs after December 1, 1968 to and including December 1, 1969, one dollar plus cash in an amount equal to 103% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(vii) if the date of termination specified in such notice of termination occurs after December 1, 1969 to and including December 1, 1970, one dollar plus cash in an amount equal to 102.7% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(viii) if the date of termination specified in such notice of termination occurs after December 1, 1970 to and including December 1, 1971, one dollar plus cash in an amount equal to 102.4% of the

Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(ix) if the date of termination specified in such notice of termination occurs after December 1, 1971 to and including December 1, 1972, one dollar plus cash in an amount equal to 102.1% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(x) if the date of termination specified in such notice of termination occurs after December 1, 1972 to and including December 1, 1973, one dollar plus cash in an amount equal to 101.8% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xi) if the date of termination specified in such notice of termination occurs after December 1, 1973 to and including December 1, 1974, one dollar plus cash in an amount equal to 101.5% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xii) if the date of termination specified in such notice of termination occurs after December 1, 1974 to and including December 1, 1975, one dollar plus cash in an amount equal to 101.2% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xiii) if the date of termination specified in such notice of termination occurs after December 1, 1975 to and including December 1, 1976, one dollar plus cash in an amount equal to 100.9% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xiv) if the date of termination specified in such notice of termination occurs after December 1, 1976 to and including December 1, 1977, one dollar plus cash in an amount equal to 100.6% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xv) if the date of termination specified in such notice of termination occurs after December 1, 1977 to and including December

1, 1978, one dollar plus cash in an amount equal to 100.3% of the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination;

(xvi) if the date of termination specified in such notice of termination occurs after December 1, 1978, one dollar plus cash in an amount equal to the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination.

The notice of termination of this Lease with respect to such Facility referred to in this paragraph 12 shall specify as the date of termination of this Lease with respect to such Facility the rental payment date with respect to such Facility next succeeding 60 days after the date of such notice or any subsequent rental payment date with respect to such Facility no later than 360 days after the date of such notice. No termination of this Lease with respect to such Facility pursuant to this paragraph 12, nor notice thereof, shall release such Lessee from (i) its obligations to pay the rentals due with respect to such Facility on the rental payment dates with respect to such Facility to and including the date this Lease terminates with respect to such Facility or (ii) any of its obligations hereunder (for rent or otherwise) with respect to any other Facility; it being the intent hereof that such termination shall release such Lessee only from its obligations to pay the rentals due with respect to such Facility on the rental payment dates with respect to such Facility occurring after the date this Lease terminates with respect to such Facility.

13. *Discontinuance of Operations.* If, because of obsolescence, shift in business, highway relocation, or other causes (except the necessity of remedying any default referred to in paragraph 17 or 18 hereof and except the necessity of discharging a lien, charge or encumbrance, curing a defect or acquiring an interest, all as referred to in paragraph 14 hereof), it becomes, with respect to any Facility, impracticable or uneconomical in the opinion of the Lessee to which such

Facility is leased hereby to profitably operate such Facility or if it becomes unlawful (except as a result of any default referred to in paragraph 17 or 18 hereof and except as a result of any matter referred to in paragraph 14 hereof) for such Lessee, its assignees, sublessees or agents to conduct on such Facility any particular operation of a nature then being conducted thereon or to erect or maintain on such Facility any particular building, structure, fixture or improvement of a nature then erected or maintained thereon, such Lessee may at any time give notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 15 hereof.

14. *Defect in Lessor's Title.* Eviction by title paramount shall not entitle any Lessee to any damages, and each Lessee hereby waives all rights to damages from such cause, nor shall this Lease terminate with respect to any Facility or the liability of any Lessee to pay the rentals (including additional rentals), or amounts equal thereto, and to perform its agreements under this Lease be reduced or in any manner affected. Each Lessee agrees that if by reason of the existence of any lien, charge or encumbrance against, or defect or outstanding interest in the title to, any Facility leased to such Lessee (except Permitted Liens) existing at the time of the acquisition of such Facility by Lessor, or arising subsequent thereto as a result of a default by Lessor or any other person under the terms of any lease or agreement, or for any other reason, the interest of Lessor in such Facility shall be affected or Lessor's title to such Facility shall be unmarketable, such Lessee shall upon notice from Lessor or Assignee (which notice shall specify the particular lien, charge or encumbrance or the particular defect or outstanding interest which affects Lessor's interest in such Facility or renders Lessor's title to such Facility unmarketable), either discharge such lien, charge or encumbrance or cure such defect or acquire for the account of Lessor such outstanding interest in such Facility, or if within 90 days after the giving of such notice, such Lessee shall at its option have failed so to do, such Lessee shall, unless prior thereto notice of termination of this Lease with

respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15, give notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 12 hereof; provided that such Lessee may be required by other provisions hereof to give an earlier notice of termination of this Lease with respect to such Facility.

15. *Termination of Lease with respect to any Facility pursuant to Paragraphs 8, 10 and 13.* Each Lessee may at any time upon an election pursuant to paragraphs 8, 10 or 13 hereof, and, if so required by any provision of this Lease, shall on the required date or within the required period, give notice of termination of this Lease with respect to any Facility leased to such Lessee (or, as the case may be, the Facility leased to it with respect to which such notice of termination is required) to Lessor and Assignee, but only if Lessor shall have received on or before the date of notice of termination of this Lease with respect to such Facility one dollar plus cash in an amount equal to the Value of the Facility no longer to be subject to this Lease on the date of termination specified in such notice of termination.

The notice of termination of this Lease with respect to such Facility referred to in this paragraph 15 shall specify as the date of termination of this Lease with respect to such Facility the rental payment date with respect to such Facility next succeeding 60 days after the date of such notice or any subsequent rental payment date with respect to such Facility no later than 360 days after the date of such notice. No termination of this Lease with respect to such Facility pursuant to this paragraph 15, nor notice thereof, shall release such Lessee from (i) its obligations to pay the rentals due with respect to such Facility on the rental payment dates with respect to such Facility to and including the date this Lease terminates with respect to such Facility or (ii) any of its obligations hereunder (for rent or otherwise) with respect to any other Facility; it being the intent hereof that such termination shall release such Lessee only from its obligations to pay the rentals due

with respect to such Facility on the rental payment dates with respect to such Facility occurring after the date this Lease terminates with respect to such Facility.

16. *Options Concerning each Facility.*

(A) If any option to renew (which term includes any right or power requiring different affirmative action but having the same effect) referred to in paragraph 1 hereof, with respect to any Facility, has not been irrevocably exercised, the Lessee to which such Facility is leased hereby shall, on the date which is 10 days prior to the last date on which such option to renew is exercisable, give notice of termination of this Lease with respect to such Facility pursuant to paragraph 12 hereof, unless prior thereto notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof.

(B) With respect to each Facility, Lessor and the Lessee to which such Facility is leased hereby agree that no option to terminate (which term includes any right or power requiring different affirmative action but having the same effect) any leasehold estate constituting all or any part of such Facility shall be exercised by Lessor or on its behalf, nor shall any notice of the exercise of such option be given, unless prior thereto such Lessee shall have given notice of termination of this Lease with respect to such Facility pursuant to paragraph 12 or paragraph 15 hereof.

(C) With respect to each Facility, Lessor and the Lessee to which such Facility is leased hereby agree that, unless prior thereto notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, no agreement shall be entered into reducing the term of any leasehold estate constituting all or any part of such Facility.

17. *Termination of any Leasehold Estate of Lessor.* In the event that the lessor (which term includes his successors, assigns or others

deriving their interest therein through him) of any leasehold estate referred to in paragraph 1 hereof, with respect to any Facility, holds an option to terminate (which term includes any right or power requiring different affirmative action but having the same effect), which constitutes a Permitted Lien, such leasehold estate exercisable (a) in the event of default by Lessor in the performance of the provisions of such instrument or (b) upon notice to Lessor and payment of a determinate amount to Lessor simultaneously with the giving of such notice, and in the event that Lessor shall commit such a default or such lessor shall exercise such an option to terminate on notice and payment, the Lessee to which such Facility is leased hereby, in the case of such default, shall remedy such default, or cause it to be remedied, at least one day prior to the expiration of the grace period for remedying such default (which grace period may be required by applicable law or the provisions of such instrument), unless prior thereto such Lessee shall have given notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 12 or paragraph 15 hereof, and such Lessee, in the case of the exercise by such lessor of such option to terminate on notice and payment, shall, within 5 days of the notice to Lessor exercising such option to terminate, give notice of termination of this Lease with respect to such Facility (specifying as the date of termination of this Lease the rental payment date with respect to such Facility next succeeding 65 days after such notice to Lessor exercising such option to terminate) pursuant to the provisions of paragraph 12 hereof, unless prior to such notice to Lessor exercising such option to terminate such Lessee shall have given notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 12 or paragraph 15 hereof. Unless prior to such notice to Lessor exercising such option to terminate, notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof, such Lessee shall, simultaneously with such notice to Lessor exercising such option to terminate, to the extent of its obligations under paragraph 12 upon such notice of termination pursuant thereto as above required, be credited with an amount

equal to the amount received by Lessor as a result of the exercise of such option to terminate on notice and payment; to the extent the amount so received exceeds such credit, Lessor shall pay such excess to such Lessee. In the event that such Lessee shall have given notice of termination of this Lease with respect to such Facility pursuant to the provisions of paragraph 12 or paragraph 15 hereof prior to such notice to Lessor exercising such option to terminate on notice and payment, Lessor shall pay to such Lessee any amount received by Lessor as a result of the exercise of such option to terminate on notice and payment.

18. *Mortgages on the Properties.* If any Facility or any part thereof constitutes a leasehold estate and such leasehold estate and this Lease as it relates to such Facility are subject to any mortgage, deed of trust, deed to secure debt or similar security instrument which is a Permitted Lien and which is security for an obligation of the lessor of such leasehold estate and if such lessor defaults in the performance of such obligation, the Lessee to which such Facility is leased hereby shall, at least 2 days before the last day on which Lessor may remedy such default, cause such default to be remedied, unless prior thereto notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof.

19. *Conveyance of Properties to Any Lessee.* Upon the termination or expiration of this Lease with respect to any Facility pursuant to its terms, the Lessee to which such Facility is leased hereby may require Lessor to convey such Facility (to the extent of Lessor's then remaining interest therein, if any) to such Lessee. Upon any such conveyance, such Lessee shall assume all obligations thereafter accruing with respect to such Facility.

20. *Notice of Termination.* Upon any notice of termination of this Lease with respect to any Facility to Lessor and Assignee pursuant to the provisions of paragraph 12 or paragraph 15 hereof, this Lease shall terminate with respect to such Facility on the rental pay-

ment date with respect to such Facility specified in such notice of termination pursuant to the provisions of the paragraph under which such notice of termination is given. Nothing contained in this Lease shall, however, be construed to prevent Lessor from terminating any leasehold estate constituting all or any part of such Facility at any time after notice of termination of this Lease with respect to such Facility shall have been given pursuant to paragraph 12 or paragraph 15 hereof.

21. *Definitions.*

"Counsel" shall mean counsel, who may be of counsel to Lessor or any Lessee, acceptable to Assignee.

"Value of the Facility" shall, when used with respect to any Facility, mean as of any date when such value is determined the amount so specified with respect to such date in the Schedule "3" with respect to such Facility hereto attached and by reference thereto made a part hereof for all purposes.

"Permitted Liens" shall mean, with respect to any property, real or personal, which Lessor owns or in which it has an interest:

(a) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to terminate such right, power, franchise, grant, license or permit, or to purchase, condemn, appropriate or recapture or to designate a purchaser of, any such property;

(b) the lien of taxes and assessments which are not at the time delinquent;

(c) the lien of specified taxes and assessments which are delinquent but the validity of which is being contested at the time in good faith by Lessor or by the owner of such property, unless thereby in the opinion of counsel any part of or all of such property may be lost or forfeited;

(d) minor defects and irregularities in the title to any such property which have no material adverse effect on the use of such property for Lessor's purposes;

(e) rights reserved to or vested in any municipality or public authority to control or regulate any such property, or to use such property in any manner which has no material adverse effect on the use of such property for Lessor's purposes;

(f) any obligations or duties, affecting any such property, to any municipality or public authority with respect to any franchise, grant, license or permit;

(g) any irregularities in or deficiencies of title to any rights-of-way for telephone lines, power lines, water lines, other utility lines and/or appurtenances thereto or other improvements thereon, and to any real estate used or to be used primarily for right-of-way purposes, provided that in the opinion of counsel Lessor or the owner of such property shall have obtained from the apparent owner of the lands or estates covered by any such right-of-way a sufficient right, by the terms of the instrument granting such rights-of-way, to the use thereof by Lessor for the construction, operation or maintenance of such lines, appurtenances or improvements for which the same are used or are to be used;

(h) the rights reserved to lessors of property in which Lessor has a leasehold estate, and to their successors and assigns and others deriving their interest therein through such lessors, in accordance with applicable law, the instrument evidencing such leasehold estate or otherwise; provided, however, that no option to terminate (which term includes any right or power requiring different affirmative action but having the same effect) any such leasehold estate (whether or not such option to terminate arises pursuant to the provisions of the instrument evidencing such leasehold estate, by reason of applicable law, any such reserved right or rights or otherwise) may be exercisable by the lessor thereof, his successors, assigns or others deriving their interest through such lessor, except such an option (i) as is exercisable in the event of a default by Lessor, as lessee, in the performance of the provisions of such instrument and then only

after the expiration of a grace period of at least 3 days (which grace period may be required by applicable law or by a valid provision of such instrument) after notice to Lessor of such default during which Lessor, as lessee, may remedy such default, or (ii) as is exercisable upon notice of at least 10 days to Lessor, as lessee, and then only upon the payment to Lessor, as lessee, simultaneously with the giving of such notice of an amount equal to or greater than an amount, in the case of any Facility subject to this Lease, equal to the Value of such Facility on the rental payment date with respect to such Facility under this Lease next succeeding the date of such notice plus the highest premium provided for in paragraph 12 of this Lease;

(i) easements, exceptions or reservations granted or reserved for the purpose of utility lines, pipe lines, roads, sidewalks, rights of way, parking, the removal of water or of oil, gas, coal or other minerals, and other like purposes, or for the joint or common use of real property, facilities and equipment, which have no material adverse effect on the use of such property for Lessor's purposes; and

(j) such mortgages, deeds of trust, deeds to secure debt and similar security instruments (each such mortgage, deed and instrument being in this paragraph 21 called "Mortgage") as were in existence at the time of the acquisition by Lessor of a leasehold estate with respect to such property and as are security for an obligation or obligations of the lessor (which term shall include his successors, assigns and others deriving their interest therein through him) of such leasehold estate, provided that under applicable law, or pursuant to the provisions of such Mortgage or an agreement with respect to such Mortgage (which provisions are valid under applicable law), such lessor and Lessor are entitled to notice of any default under such Mortgage and to a grace period in excess of 2 days after receipt of such notice in which to remedy such default.

22. *Notices.* All notices given pursuant to this Lease to Lessor, any Lessee and Assignee shall be in writing, shall be effective upon

2167 176

23

receipt thereof and may be delivered to them by mail, telegraph or messenger, at their respective addresses as follows:

Lessor:

One Sansome Street,
San Francisco, California

(or such other address as
Lessor shall designate by
written notice to each
Lessee and Assignee)

Each Lessee:

c/o Standard Oil Company of California
225 Bush Street,
San Francisco, California

(or such other address as
such Lessee shall design-
ate by written notice to
Lessor and Assignee)

Assignee: To such address as Lessor shall designate by
written notice to each Lessee.

23. *Counterparts.* This Lease may be executed in several counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument; provided that, for recording and/or filing purposes, only the Schedule "1", Schedule "2" and Schedule "3" with respect to a particular Facility shall be included in the counterpart hereof to be recorded and/or filed in the jurisdiction or jurisdictions where such Facility is situated.

24. *Headings.* The descriptive headings of the several paragraphs of this Lease are inserted for convenience only and shall not

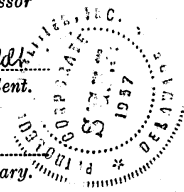
control or affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, Lessor has caused its corporate name to be hereto subscribed by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, and each Lessee has caused its corporate name to be hereto subscribed by its President, one of its Vice Presidents, its Treasurer, one of its Assistant Treasurers or its Attorney-in-Fact and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries.

PETROLEUM FACILITIES, INC.,
Lessor

By J. H. Hauschildt
Vice President.

Attest: _____
Assistant Secretary.



Witness:

(signature)

(signature)

2167 PAGE 178

25

STANDARD OIL COMPANY OF CALIFORNIA,
Lessee

By
Vice President.

Attest:
Assistant Secretary.

Witness:

.....
(signature)

.....
(signature)

STANDARD OIL COMPANY,
Lessee

By
Vice President.

Attest:
Assistant Secretary.

Witness:

.....
(signature)

.....
(signature)

STANDARD OIL COMPANY OF CALIFORNIA,
doing business as SIGNAL OIL COMPANY,
Lessee

By
Vice President.

Attest:
Assistant Secretary.

Witness:

.....
(signature)

.....
(signature)

CALIFORNIA OIL COMPANY,
Lessee

By
Vice President.

Attest:
Assistant Secretary.

Witness:

.....
(signature)

.....
(signature)

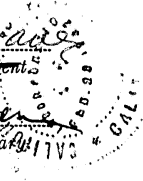
2167-A.E.180

27

CALIFORNIA OIL COMPANY, doing business
as STANDARD OIL COMPANY OF CALI-
FORNIA,

Lessee

By W. R. Hargrave
W. R. HARGRAVE *Vice President*
ATTORNEY IN FACT
Attest: E. A. Hansen
E. A. HANSEN *Assistant Secretary*



Witness:

.....
(signature)

.....
(signature)

CALIFORNIA OIL COMPANY, doing business
as STANDARD OIL COMPANY OF TEXAS,
Lessee

By
Vice President.

Attest:
Assistant Secretary.

Witness:

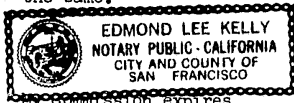
.....
(signature)

.....
(signature)

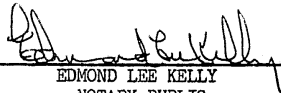
2167 PAGE 181

STATE OF CALIFORNIA,)
City and County of San Francisco.) ss

On NOV 29 1963, personally appeared before me
G. H. HAUSCHILDT, who being by me duly sworn, did say, that he
is the Vice President of PETROLEUM FACILITIES, INC., and that said
instrument was signed in behalf of said corporation by authority of its
by-laws or of a resolution of its board of directors and said
G. H. HAUSCHILDT acknowledged to me that said corporation executed
the same.



My Commission expires
January 23, 1964.
Residing at San Francisco,
California.


EDMOND LEE KELLY
NOTARY PUBLIC
in and for the City and County of
San Francisco, State of California

(Use on Long Form Lease & A/R)

ACKNOWLEDGMENT
UTAH
SALOIL

June 1962

SCHEDULE 1

The leasehold estate evidenced by that certain lease dated March 1, 1957 between T. E. Robinson and Virginia J. Robinson, his wife and Standard Oil Company of California, Western Operations, Inc., a Corporation, as amended by instrument dated March 12, 1963, and assigned to Petroleum Facilities, Inc., a Delaware Corporation, by Assignment of lease dated September 30, 1963, relating to the real property situate in the City of Salt Lake, County of Salt Lake, State of Utah, more particularly described as follows:

Commencing at the intersection of the South line of 21st South Street and the East line of 13th East Street as reestablished by the proposed Highway Project 018-1, which point of intersection is 234.29 feet, more or less, South $0^{\circ}13'44''$ West; West 69 feet, more or less; South 2.84 feet; Westerly along the arc of a 766.20 foot radius curve to the right 51.16 feet to a point of tangency; and South $89^{\circ}51'$ West 33.31 feet from the Northeast corner of Section 20, Township 1 South, Range 1 East, Salt Lake Meridian; thence South along the reestablished East line of 13th East Street 139 feet; thence East 68 feet; thence North 74 feet; thence Northeasterly 79 feet, more or less, to the South line of 21st South Street as reestablished; thence West 18 feet; thence South 2.84 feet; thence Westerly along the arc of a 766.20 foot radius curve to the right 51.16 feet to a point of tangency; South $89^{\circ}51'$ West 33.31 feet, more or less, to the point of beginning. Together with a non-exclusive easement for ingress and egress, over, upon and across the following described parcel of land; Commencing at the Southeast corner of the property above particularly described, thence East 20 feet, more or less, to the projected line of the West wall of the grocery store building; thence North along said projected line and said West wall 77 feet; thence Northeasterly 95 feet, more or less, to the South line of 21st South Street as reestablished and the reestablished Northeast corner of Lessor's property; thence West along said reestablished South line of 21st South Street 51 feet to the Northeast corner of the property above particularly described; thence Southwesterly 79 feet, more or less; thence South 74 feet to the point of beginning.

PETROLEUM FACILITIES, INC.
SCHEDULES 2 AND 3 - SERIES L/MIDENT STATION REGION STATE-
31121 5084 SLC UTAH 8

DATE	SEMIANNUAL RENTAL INSTALLMENTS	VALUE OF THE FACILITY
10 1 63		58,500.00
12 1 63	1,088.75	57,850.00
6 1 64	3,281.00	55,900.00
12 1 64	3,236.30	53,950.00
6 1 65	3,191.59	52,000.00
12 1 65	3,146.88	50,050.00
6 1 66	3,102.17	48,100.00
12 1 66	3,057.45	46,150.00
6 1 67	3,012.73	44,200.00
12 1 67	2,968.01	42,250.00
6 1 68	2,923.28	40,300.00
12 1 68	2,878.55	38,350.00
6 1 69	2,833.81	36,400.00
12 1 69	2,789.06	34,450.00
6 1 70	2,744.31	32,500.00
12 1 70	2,699.55	30,550.00
6 1 71	2,654.78	28,600.00
12 1 71	2,610.00	26,650.00
6 1 72	2,565.21	24,700.00
12 1 72	2,520.41	22,750.00
6 1 73	2,475.59	20,800.00
12 1 73	2,430.76	18,850.00
6 1 74	2,385.91	16,900.00
12 1 74	2,340.81	14,950.00
6 1 75	2,295.72	13,000.00
12 1 75	2,250.63	11,050.00
6 1 76	2,205.53	9,100.00
12 1 76	2,160.44	7,150.00
6 1 77	2,115.34	5,200.00
12 1 77	2,070.25	3,250.00
6 1 78	2,025.16	1,300.00
10 1 78	1,330.06	

79,390.04