

is to be paid to anyone other than the Company, the amount or amounts to be paid to each person, firm or corporation specified in such certificate;

(2) a certificate signed by an independent engineer stating that it has examined the certificate of the Company furnished pursuant to subdivision (1) above and approves the statements made in such certificate;

(3) an opinion of counsel stating that in the opinion of such counsel

(i) the Company has procured from the Federal Power Commission all necessary authorizations from said Commission to acquire or construct and operate all facilities comprised in the Permian-San Juan Project any expenditures or indebtedness in respect of which are included in the certificate of the Company furnished pursuant to subdivision (1) above, and that no consents or authorizations of any other governmental regulatory authorities are necessary for such purpose or, if necessary, that they have been obtained;

(ii) in the event that the certificate of the Company provided for in subdivision (1) of this Section includes any expenditures and/or indebtedness representing costs incurred by the Company in the acquisition, drilling, testing, completion and/or equipping of gas or gas and oil wells (other than administrative or overhead charges applicable thereto), stating as to each such well either (A) that such well is located on acreage covered by one or more of the gas rights or interests in and under gas and oil leases (hereinafter in this Section generally referred to as "gas leasehold estates") described in Division One or Division Two of Part III of Article Four of the Seventh Supplemental Indenture, in Part I of Article Six of the Eighth Supplemental Indenture or in Article One of the Ninth Supplemental Indenture, or (B) that such well is located on acreage covered by a gas leasehold estate or gas leasehold estates to which the Company has good title, subject only to (aa) rentals, royalties, reservations, liens or encumbrances (other than reservations, liens or encumbrances securing the payment of indebtedness of the Company or any predecessor in title) existing thereon at the time of acquisition by the Company, (bb) rights or interests of third parties arising by virtue of any exploration, drilling, development,