

that such expenditures or indebtedness are of a character for which the Company is entitled to reimbursement pursuant to this Section 6E.03, and that the aggregate amount of expenditures and indebtedness representing costs of the acquisition or construction and completion of the Third Permian-San Juan Project included in such certificate and in all previous certificates furnished under this Section does not exceed the sum of \$169,897,000;

(ii) that no part of such expenditures and/or indebtedness has been included in any previous or other certificate furnished pursuant to any of the provisions of this Section or, as to any expenditures or indebtedness of the character referred to in clause (iii) below, has been made the basis for the withdrawal of cash from any construction fund established pursuant to any provision of this Indenture or the basis for any other credit on account of the cost of any special project established under this Indenture or the basis of the authentication and delivery of bonds or the withdrawal of cash pursuant to Section 4.03 or Section 4.06, and that no part of any such expenditures and/or indebtedness has been paid out of the proceeds of any insurance;

(iii) if any of the expenditures or indebtedness included in such certificate represent costs incurred by the Company in the acquisition, drilling, testing, completion, recompletion and/or equipping of wells (other than administrative or overhead charges applicable thereto), specifying the location of each such well and the amount of such costs applicable to each such well; and

(iv) if the cash to be withdrawn from the Third Permian-San Juan Construction Fund on account of the expenditures and/or indebtedness covered by such certificate, or any part thereof, is to be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