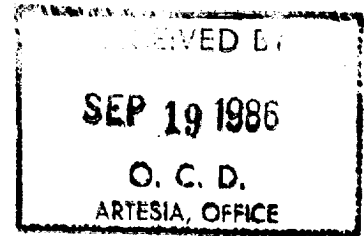


CERTIFICATE OF BILLY MILLER



I, Billy Miller, hereby certify that:

(1) I am the production superintendent for the applicant, Corrine Grace.

(2) My duties include daily monitoring the production characteristics and data of the Carlsbad Grace No. 1 well located in Unit Letter I of Section 36, T 22 S, R 26 E, Eddy County, New Mexico.

(3) It is my belief that the condition of the well remains unchanged since Order R-8026 was issued by the Oil Conservation Division on September 19, 1985 because:

(a) The well will not produce without a compressor due to its low bottom hole pressure;

(b) Due to the nature of the well's flowing tubing pressure, a minimum flow rate is necessary to continuously remove fluids from the wellbore;

(c) Tubing cannot be economically or practicably replaced to correct well production problems;

(d) Divison Case File No. 8593 contains well flow test results conducted in October, 1985, which, upon information and belief, currently reflect production capabilities of the well.

Billy Miller
Billy Miller

Subscribed and sworn to me this 16th day of September, 1986.

E. H. Radville
Notary Public

My Commission Expires:

2/25/87