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| SANTA FE                  |     |
| FILE                      |     |
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| LAND OFFICE               |     |
| TRANSPORTER               | OIL |
|                           | GAS |
| PRODUCTION OFFICE         |     |
| OPERATOR                  |     |

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
**CERTIFICATE OF COMPLIANCE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS**

**FORM C-110**  
(Rev. 7-60)

FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE

|   |                         |               |
|---|-------------------------|---------------|
| Company or Operator<br><p style="text-align: center;">S. P. Yates</p> | Lease<br>Gulf Angle St. | Well No.<br>2 |
|---|-------------------------|---------------|

|                  |               |                  |               |               |
|------------------|---------------|------------------|---------------|---------------|
| Unit Letter<br>G | Section<br>11 | Township<br>17S. | Range<br>34E. | County<br>Lea |
|------------------|---------------|------------------|---------------|---------------|

|                |  |
|----------------|--|
| Pool<br>Vacuum | Kind of Lease (State, Fed, Fee)<br>State |
|----------------|--|

|  |                  |               |                  |               |
|--|------------------|---------------|------------------|---------------|
| If well produces oil or condensate<br>give location of tanks | Unit Letter<br>H | Section<br>11 | Township<br>17S. | Range<br>34E. |
|--|------------------|---------------|------------------|---------------|

|   |   |
|---|---|
| Authorized transporter of oil <input checked="" type="checkbox"/> or condensate <input type="checkbox"/><br><br>Magnolia Pipeline Company | Address (give address to which approved copy of this form is to be sent)<br><br>P. O. Box 900<br>Dallas 21, Texas |
|---|---|

Is Gas Actually Connected? Yes  No

|  |                            |   |
|--|----------------------------|---|
| Authorized transporter of casing head gas <input type="checkbox"/> or dry gas <input checked="" type="checkbox"/><br><br>S. P. Yates | Date Connected<br>10-15-64 | Address (give address to which approved copy of this form is to be sent)<br><br>309 Carper Building, Artesia, N. M. |
|--|----------------------------|---|

If gas is not being sold, give reasons and also explain its present disposition:

**REASON(S) FOR FILING (please check proper box)**

New Well .....       Change in Ownership .....   
Change in Transporter (check one)      Other (explain below)  
Oil .....       Dry Gas .....   
Casing head gas .       Condensate . .

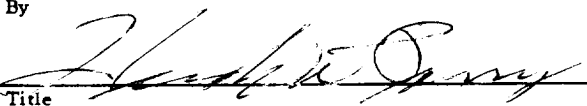
Recompletion as gas well from the Queen formation.

Remarks

Intend to use gas for gas lift of three wells on dedicated acreage producing from the San Andres formation. Gas to be collected in closed system and sold from gas lift well as casinghead gas to Phillips Petroleum Company.

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 15th day of October, 1964.

|                                    |  |
|------------------------------------|--|
| <b>OIL CONSERVATION COMMISSION</b> | By   |
| Approved by                        |  |
| Title                              | Agent  |
| Title                              | Company<br>S. P. Yates   |
| Date                               | Address<br>309 Carper Building<br>Artesia, New Mexico                                |