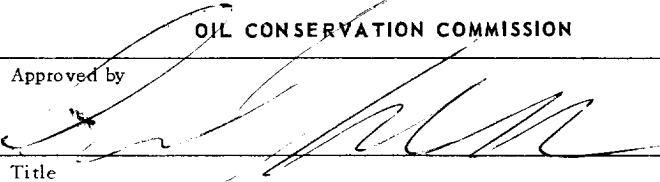
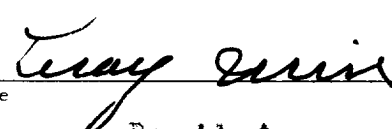


NUMBER OF COPIES RECEIVED DISTRIBUTION SANTA FE FILE U.S.G.S. LAND OFFICE TRANSPORTER OIL GAS PRODUCTION OFFICE OPERATOR		NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO <b>CERTIFICATE OF COMPLIANCE AND AUTHORIZATION          TO TRANSPORT OIL AND NATURAL GAS</b>			<b>FORM C-110</b> (Rev. 7-60)	
FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE						
Company or Operator <b>Velma Petroleum Corporation</b>				Lease <b>R. Davis</b>		Well No. <b>1</b>
Unit Letter <b>0</b>	Section <b>29</b>	Township <b>18S</b>	Range <b>39E</b>	County <b>Lea</b>		
Pool <b>East Hobbs San Andres</b>				Kind of Lease (State, Fed, Fee)		
If well produces oil or condensate give location of tanks		Unit Letter <b>0</b>	Section <b>29</b>	Township <b>18S</b>	Range <b>39E</b>	
Authorized transporter of oil <input checked="" type="checkbox"/> or condensate <input type="checkbox"/> <b>Shell Pipe Line Company</b>			Address (give address to which approved copy of this form is to be sent) <b>Box 1910, Midland, Texas</b>			
Is Gas Actually Connected? Yes _____ No <input checked="" type="checkbox"/>						
Authorized transporter of casing head gas <input type="checkbox"/> or dry gas <input type="checkbox"/>		Date Connected	Address (give address to which approved copy of this form is to be sent)			
If gas is not being sold, give reasons and also explain its present disposition:						
<b>REASON(S) FOR FILING (please check proper box)</b>						
New Well ..... <input type="checkbox"/>			Change in Ownership ..... <input checked="" type="checkbox"/>			
Change in Transporter (check one)			Other (explain below)			
Oil ..... <input type="checkbox"/> Dry Gas ..... <input type="checkbox"/>						
Casing head gas . <input type="checkbox"/> Condensate . . <input type="checkbox"/>						
<b>Lease formerly operated by R. B. Stallworth, Jr.</b>						
Remarks						
The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.						
Executed this the <b>1st</b> day of <b>July</b> , 19 <b>61</b> .						
<b>OIL CONSERVATION COMMISSION</b>			By			
Approved by 			 Title <b>President</b>			
Title			Company <b>Velma Petroleum Corporation</b>			
Date			Address <b>Box 1955, Hobbs, New Mexico</b>			