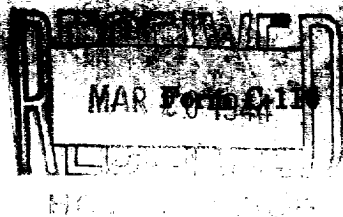


OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO



CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL

Company or Operator McDannald & Williams Lease Driller
Address Loco Hills, New Mexico Box 2372, Houston, Texas
(Local or Field Office) (Principal Place of Business)
Unit 1 Wells No. 1 Sec. 30 T. 16 R. 31 Field Square Lake County Eddy
Kind of Lease Federal Location of Tanks On lease
Transporter Valley Refining Company Address of Transporter Artesia, New Mexico
(Local or Field Office)
Nowell, New Mexico Percent of oil to be transported 100 Other transporters author-
(Principal Place of Business)
ized to transport oil from this unit are None %

REMARKS:

The undersigned certifies that the rules and regulations of the Oil Conservation Commission have been complied with except as noted above and that gathering agent is authorized to transport the percentage of oil produced from the above described property and that this authorization will be valid until further notice to the transporter named herein or until cancelled by the Oil Conservation Commission of New Mexico.

Executed this the 10th day of March, 1944.

McDannald and Williams
(Company or Operator)

By [Signature]

Title Partner

State of Texas }
County of Harris } ss.

Before me, the undersigned authority, on this day personally appeared A. L. McDannald known to me to be the person whose name is subscribed to the above instrument, who being by me duly sworn on oath states that he is authorized to make this report and has knowledge of the facts stated herein and that said report is true and correct.

Subscribed and sworn to before me, this the 10th day of March, 1944

E. Kemp
E. Kemp

Notary Public in and for Harris County, Texas

Approved: 3-15- 1944

OIL CONSERVATION COMMISSION

By Carl B. Livingston

(See Instruction on Reverse Side)

This form shall be executed and filed in quadruplicate with the Oil Conservation Commission at Santa Fe, New Mexico, covering each unit from which oil is produced. A separate certificate shall be filed for each transporter authorized to transport oil from a unit. After said certificate has been approved by the Oil Conservation Commission, one copy shall be forwarded to the transporter, one copy returned to the producer, and two copies retained by the Oil Conservation Commission.

This certificate when properly executed and approved by the Oil Conservation Commission shall constitute a permit for pipe line connection and authorization to transport oil from the property named therein and shall remain in full force and effect until

- (a) Operating ownership changes
(b) The transporter is changed or
(c) The permit is cancelled by the Commission

In all cases where this certificate is filed to cover a change in operating ownership or a change in the transporter designated to move oil, show under "REMARKS" the previous owner or operator and the transporter previously authorized to transport oil.

A separate report shall be filed to cover each producing unit as designated by the Oil Conservation Commission.