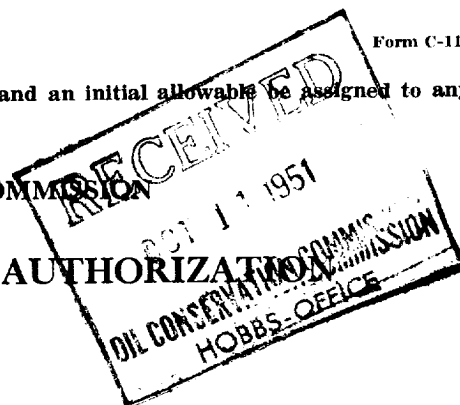


It is necessary that Form C-104 be approved before this form can be approved and an initial allowable be assigned to any completed oil or gas well.

NEW MEXICO OIL CONSERVATION COMMISSION

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL



Company or Operator.....AURORA GASOLINE COMPANY.....Lease.....RALPH DAVIS.....

Address.....124 McClintic Building - Midland, Texas.....Tulsa, Oklahoma.....
(Local or Field Office) (Principal Place of Business)

Unit.....0.....Wells No.....1.....Sec.....29.....T.....18-SR.....39E Pool.....County.....Lea.....

Kind of Lease.....Patented Land.....Location of Tanks.....Unit 0, Sec., 29, T-18S, R-39E.
Humble Pipe Line Company

Transporter.....Via - Ellison & Sayers Oil Transport.....Address of Transporter.....Midland, Texas.....
(Local or Field Office)

.....Houston, Texas.....Percent of oil to be transported.....100%.....Other transporters authorized
(Principal Place of Business)

to transport oil from this unit are.....NONE.....%

REMARKS:

This well was originally intended for a total depth of approximately 6370', however, after drilling the Grayburg section from 4444' to 4402', well blew out and first estimates of production range from 35 to 70 bbis., per hour. This production was not discovered in wells drilled to the east and southeast of subject well; accordingly, it is felt that this indicates a new reservoir and new field within the limits of the present East Hobbs Field. In order to fully determine the commercial feasibility of this new reservoir discovery, permission is herewith requested to test subject well to the amount of 3500 bbis and to transport same. Several hundred bbis., were produced into earthen pits before well was brought completely under control and the requested authorization to transport 3500 bbis would make it possible to remove this oil to safer storage and for better conservation.

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.....11th.....day of.....OCTOBER....., 1951.....

.....AURORA GASOLINE COMPANY.....
(Company or Operator)

By.....*G. D. Simon*.....G. D. Simon.....

Petroleum Engineer
Title.....

Approved:.....10-11....., 1951.....

OIL CONSERVATION COMMISSION

By.....*R. S. Blynn*.....

(See Instructions on Reverse Side)

INSTRUCTIONS

This form shall be executed and filed in quadruplicate with the District Office of the Oil Conservation Commission, covering each unit from which oil or gas is produced. A separate certificate shall be filed for each transporter authorized to transport oil or gas 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.

A new certificate shall be filed to cover each change in operating ownership and each change in the transporter, except that in the case of a temporary change in the transporter involving less than the allowable production for one proration period, the operator shall in lieu of filing a new certificate, notify the Oil Conservation Commission District Office, and the transporter authorized by certificate on file with the Commission, by letter of the estimated amount of oil or gas to be moved by the transporter temporarily moving oil or gas from the unit and the name of such temporary transporter and a copy of such notice shall also be furnished such temporary transporter. Such temporary transporter shall not move any more oil or gas than the estimated amount shown in said notice.

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 or gas 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.

If any of the rules and regulations of the Oil Conservation Commission have not been complied with at the same time this report is filed, explain fully under the heading "REMARKS."

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 or gas, show under "REMARKS" the previous owner or operator and the transporter previously authorized to transport oil or gas.

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