NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

(File the original and 4 copies with the appropriate district office)

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

| Company or Operator J. pon Hudgens, Inc. | Lease State |
|--|---|
| Well No. 1 Unit Letter H S 36 T21 | S R35E Pool Jaluat |
| County Lea Kind of Lease (S | state, Fed. or Patented) State |
| If well produces oil or condensate, give location | |
| Authorized Transporter of Oil or Condensate | |
| Address Hobbs, New Mexico | |
| (Give address to which approved co | py of this form is to be sent) |
| Authorized Transporter of Gas | |
| Address | |
| (Give address to which approved co | py of this form is to be sent) explain its present disposition: |
| Casinghead gas is being flared as author | rized by Administrative |
| Order NFO-281 | |
| | |
| Reasons for Filing:(Please check proper box) | New Well () |
| Change in Transporter of (Gheck One): Oil () | Dry Gas () C'head () Condensate () |
| Change in Ownership () (| Compliance with Order Other R-553 (x) |
| Remarks: | (Cive explanation below) |
| The undersigned certifies that the Rules and Remission have been complied with. Executed this the 12th day of December 19 | |
| | By J. H. Moore |
| Approved19 | TitleAgent |
| OIL CONSERVATION COMMISSION | Company J. Don Hudgens, Inc. |
| By . M. Kieles | Address_Box 1898 |
| Title | Hobbs. New Mexico |