SUPERVISOR, OIL AND GAS OPERATIONS:

Gallegos Canyon Fed #1

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of oil and gas lease

DISTRICT LAND OFFICE: P. O. Box 1449, Santa Fe, New Mexico 87501

SERIAL NO.: NM-0468006

and hereby designates

NAME:

Tenneco Oil Company

ADDRESS: 1860 Lincoln, Denver, Colorado

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 25 North, Range 11 West, N.M.P.M.

Section 4: SW社

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the oil and gas supervisor of any change in the designated

OID COMPANY

(Signature of lesses)

Attorney-in-Fact

(Date)

1700 Broadway, Denver, Colorado 80202 (Address)