

DESIGNATION OF OPERATOR

The undersigned is the owner of the following State of New Mexico Oil and Gas Leases:

State of New Mexico Lease Nos.: LG-2716 and LG-2717

and hereby designates

Name: Rosewood Resources, Inc.

Address: 2600 Thanksgiving Tower

Dallas, Texas 75201

as its operator and local agent, with full authority to act in its behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Commissioner of Public Lands or his representative may serve written or oral instructions in securing compliance with the operating regulations with respect to the following described lands:

Township 16 South, Range 28 East N.M.P.M.

Section 12: SE/4 Lease No. LG-2716)

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SW/4 Lease No. LG-2717)

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the leases and the 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 Commissioner of Public Lands or his representative.

The lessee agrees promptly to notify the Commissioner of Public Lands of any change in the designated operator.

EXXON CORPORATION

By: J. A. Vance

J. A. VANCE, DIV. LANDMAN-EXPL. DEPT.
EXXON COMPANY, U.S.A. (a DIV. OF EXXON
Corporation), AGENT AND ATTORNEY IN FACT

February 13, 1985
(Date)

P. O. Box 1600
Midland, Texas 79702