

SUPERVISOR, OIL AND GAS OPERATIONS:

DESIGNATION OF AGENT

The undersigned is, on the records, of the Geological Survey, unit operator under the Empire South Deep Unit Agreement, Eddy County, New Mexico, No. 14-08-0001-11591, approved September 13, 1971,

and hereby designates

NAME: Harvey E. Yates Company, Inc.

ADDRESS: Suite 1000, Security National Bank Building, Roswell,
New Mexico 88201

as its agent, with full authority to act in its behalf in complying with the terms of the unit agreement 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:

Drilling, testing, and completing Unit Well No. 18 in the SE/4 NW/4 of Section 30, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the Unit Agreement and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the Unit Agreement or any lease committed thereto.

In case of default on the part of the Designated Agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representatives.

The Unit Operator agrees promptly to notify the Oil and Gas Supervisor of any change in the Designated Agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement.

This Designation of Agent is limited to field operations and does not cover administrative action requiring Unit Operator's specific authorization.

10-14-77

Date

AMOCO PRODUCTION COMPANY
UNIT OPERATOR

By

J. E. Harrison
J. E. Harrison
Attorney-in-Fact