

(Submit in Quadruplicate)

SUPERVISOR, OIL AND GAS OPERATIONS:

DESIGNATION OF AGENT

RECEIVED

OCT 8 1978

U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

The undersigned is, on the records of the Geological Survey, unit operator under the Poker Lake unit agreement, dated March 18, 1952, No. 14-08-001-303, approved by U.S.G.S. on July 16, 1952

and hereby designates

NAME: Pauley Petroleum Inc.  
ADDRESS: 822 Building of the Southwest, Midland, Texas 79701

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. 1 in the NW 1/4 NW 1/4, Sec. 5, T 25S -R 31E, 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 representative.

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 is given only to enable the agent herein designated to drill the above specified unit well. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate District Office of the U. S. Geological Survey a completed file of all