

SUPERVISOR, OIL AND GAS OPERATIONS:

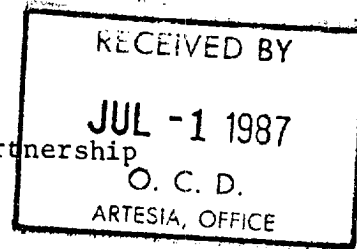
DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Roswell, New Mexico
SERIAL No.: NM-19423

and hereby designates

NAME: Mesa Operating Limited Partnership
ADDRESS: P. O. Box 2009
Amarillo, Texas 79189



as his operator and 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):

NW/4 SE/4 Section 14, T-25-S, R-26-E,
limited from the surface to 2024 feet.
Eddy County, New Mexico

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 operator.

ENRON OIL & GAS COMPANY (successor in interest
through merger to HNG Oil Company)

By: B. H. Morrison

(Signature of lessee)

B. H. Morrison, Agent & Attorney-In-Fact

P. O. Box 1188, Houston, Texas 77002

(Address)

June 24th, 1987

(Date)