

DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Santa Fe, New Mexico
SERIAL No.: USA NM 34461

and hereby designates

NAME: Fred Pool Operating Company
ADDRESS: Post Office Box 1393
Roswell, New Mexico 88201

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 Operating Regulations with respect to (describe acreage to which this designation is applicable):

Eddy County, New Mexico
Township 18 South, Range 29 East, N.M.P.M.
Section 21: SE $\frac{1}{4}$ NE $\frac{1}{4}$
containing 40 acres, more or less,
limited to depths from the surface
to 3200'

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 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 supervisor of any change in the designated operator.

Atlantic Richfield Company

By: Allen K Hawey
(Signature of lessee)

Post Office Box 1610
Midland, Texas 79702

(Address)

2/16/84
(Date)