

STATE CONSERVATION COMMISSION:

DESIGNATION OF OPERATOR

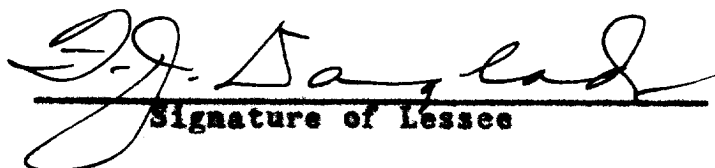
The undersigned is, on the records of the State Land Office, holder of oil and gas lease No. E-1518, and hereby designates SOUTHERN PETROLEUM EXPLORATION, INC., of Sistersville, West Virginia, as his operator and agent, with full authority to act in his behalf in complying with the terms of the lease 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:

The Southeast quarter (SE $\frac{1}{4}$) of Section Three (3), Township Twelve (12) South, Range Thirty-four (34) East, N.M.P.M. in Lea 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 State Conservation Commission, or its representative.

The lessee agrees promptly to notify the State Conservation Commission of any change in the designated operator.


Signature of Lessee

September 19, 1937

Box 675, Lovington, New Mexico

Date

Address

