

RESIGNATION OF UNIT OPERATOR
AND
DESIGNATION OF SUCCESSOR UNIT OPERATOR

WHEREAS, Dallas Production, Inc. (hereafter "DPI") is designated as Unit Operator under the terms of the Unit Agreement for the Development and Operation of the South Vacuum Unit in Lea County, New Mexico; and

WHEREAS, DPI is an affiliate of certain working interest owners who have sold their interest in said Unit to Universal Resources Corporation (hereafter "URC") and are no longer working interest owners therein, and

WHEREAS, DPI herein resigns as Unit Operator, and the designation of successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, URC is now the owner of 100% of the leasehold rights in formations now producing in the South Vacuum Unit and desires to assume all the rights duties, and obligations of Unit Operator under said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, URC hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully effectively as though said Unit Agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, this instrument is executed this 12TH day of September, 1996 and is effective October 1, 1996.

DALLAS PRODUCTION, INC.

By: _____

William A. Custard, President

UNIVERSAL RESOURCES CORPORATION

By: _____

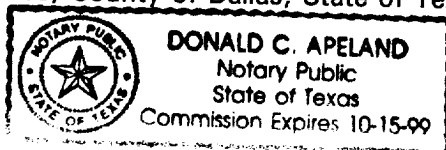
G. L. Nordloh
President and CEO

THE STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me on this 12TH day of September, 1996, by William A. Custard, President of **DALLAS PRODUCTION, INC.**, a Texas corporation.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal in the City of Dallas, County of Dallas, State of Texas, this 13TH day of September, 1996.



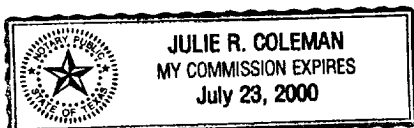
Donald C. Apeland
Notary Public, The State of Texas

THE STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me on this 16th day of September, 1996, by G. L. Nordloh, President and CEO of **UNIVERSAL RESOURCES CORPORATION**, a Texas corporation.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal in the City of Dallas, County of Dallas, State of Texas, this 16th day of September, 1996.



Julie R. Coleman
Notary Public, The State of TX