

DESIGNATION OF OPERATOR

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

DISTRICT LAND OFFICE: Santa Fe  
SERIAL NUMBER: NM 11768

and hereby designates

NAME: Doyle Hartman  
ADDRESS: Suite 508, C & K Building  
Midland, Texas 79701

as its operator and local agent, with full authority to act in its 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:

Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico  
Section 9: N/2 SE/4

as to gas operating rights in all formations lying  
between the top of the Tansill Formation and a point  
100 feet above the base of the Seven Rivers Formation.

It is understood that this designation of operator does not relieve the holder of such operating rights 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 holder of such operating rights will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The holder of such operating rights agrees promptly to notify the oil and gas supervisor of any change in the designated operator.

ATTEST:

EL PASO NATURAL GAS COMPANY

By: *J. J. [Signature]*  
Assistant Secretary

By: *T. W. [Signature]* RM  
Vice President

Address: P. O. Box 1492, El Paso, Texas 79978

Date: APR 10 1979