

149

1 which, when approved by the Supervisor, shall constitute the further drilling  
2 and operating obligations of the Unit Operator under this agreement for the  
3 period specified therein. Thereafter, from time to time before the expiration  
4 of any existing plan, the Unit Operator shall submit for the approval of the  
5 Supervisor a plan for an additional specified period for the development and  
6 operation of the unitized land. Any plan submitted pursuant to this section shall  
7 provide for the exploration of the unitized area and for the diligent drilling  
8 necessary for determination of the area or areas thereof capable of producing  
9 unitized substances in paying quantities in each and every productive formation  
10 and shall be as complete and adequate as the Supervisor may determine to be  
11 necessary for timely development and proper conservation of the oil and gas  
12 resources of the unitized area and shall

13 (a) specify the number and locations of any wells to be drilled and the  
14 proposed order and time for such drilling; and  
15 (b) to the extent practicable specify the operating practices regarded  
16 as necessary and advisable for proper conservation of natural re-  
17 sources. Separate plans may be submitted for separate productive  
18 zones, subject to the approval of the Supervisor. Said plan or plans  
19 shall be modified or supplemented when necessary to meet changed  
20 conditions or to protect the interests of all parties to this agreement.  
21 Reasonable diligence shall be exercised in complying with the obliga-  
22 tions of the approved plan of development. The Supervisor is authorized  
23 to grant a reasonable extension of the 6 month period herein prescribed  
24 for submission of an initial plan of development where such action is  
25 justified because of unusual conditions or circumstances. After com-  
26 pletion hereunder of a well capable of producing any unitized substances  
27 in paying quantities, no further wells, except such as may be necessary  
28 to afford protection against operations not under this agreement or such  
29 as may be specifically approved by the Supervisor, shall be drilled  
30 except in accordance with a plan of development approved as herein  
31 provided.