

1 wells completed on committed leases for production of unitized sub- 1
 2 stances as of the effective date of this unit agreement, shall be 2
 3 considered unit wells and subject to this unit agreement, regardless 3
 4 of the completion dates thereof. 4

5 10. PLAN OF FURTHER DEVELOPMENT AND OPERATION. With the filing 5
 6 of this unit agreement for final approval by the Director, the Unit 6
 7 Operator shall submit for the approval of the Supervisor an acceptable 7
 8 plan of development and operation for the unitized land which, when 8
 9 approved by the Supervisor, shall constitute the further drilling and 9
 10 operating obligations of the Unit Operator under this agreement for 10
 11 the period specified therein. Thereafter, from time to time before 11
 12 the expiration of any existing plan, the Unit Operator shall submit 12
 13 for the approval of the Supervisor a plan for an additional specified 13
 14 period for the development and operation of the unitized land. Any 14
 15 plan submitted pursuant to this section shall provide for the explor- 15
 16 ation of the unitized area and for the diligent drilling necessary 16
 17 for determination of the area or areas thereof capable of producing 17
 18 unitized substances in paying quantities in each and every productive 18
 19 formation and shall be as complete and adequate as the Supervisor 19
 20 may determine to be necessary for timely development and proper con- 20
 21 servation of the oil and gas resources of the unitized area and 21
 22 shall 22

23 (a) specify the number and locations of any wells to be drilled 23
 24 and the proposed order and time for such drilling; and 24

25 (b) to the extent practicable specify the operating practices 25
 26 regarded as necessary and advisable for proper conservation of 26
 27 natural resources. Separate plans may be submitted for separate 27
 28 productive zones, subject to the approval of the Supervisor. 28

29 Said plan or plans shall be modified or supplemented when neces- 29
 30 sary to meet changed conditions or to protect the interests of 30
 31 all parties to this agreement. Reasonable diligence shall be 31
 32 exercised in complying with the obligations of the approved plan 32