

1 Operator agrees and consents to accept the duties and obliga- 1
2 tions of Unit Operator for the discovery, development and pro- 2
3 duction of unitized substances as herein provided. Whenever 3
4 reference is made herein to the Unit Operator, such reference 4
5 means the Unit Operator acting in that capacity and not as an 5
6 owner of interest in unitized substances, and the term "work- 6
7 ing interest owner" when used herein shall include or refer to 7
8 Unit Operator as the owner of a working interest when such an 8
9 interest is owned by it. 9

10 5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit 10
11 Operator shall have the right to resign at any time prior to 11
12 the establishment of a participating area or areas hereunder, 12
13 but such resignation shall not become effective so as to re- 13
14 lease Unit Operator from the duties and obligations of Unit 14
15 Operator and terminate Unit Operator's rights as such for a 15
16 period of 6 months after notice of intention to resign has 16
17 been served by Unit Operator on all working interest owners 17
18 and the Director, and until all wells then drilled hereunder 18
19 are placed in a satisfactory condition for suspension or aban- 19
20 donment whichever is required by the Supervisor, unless a new 20
21 Unit Operator shall have been selected and approved and shall 21
22 have taken over and assumed the duties and obligations of Unit 22
23 Operator prior to the expiration of said period. 23

24 Unit Operator shall have the right to resign in like 24
25 manner and subject to like limitations as above provided at 25
26 any time a participating area established hereunder is in 26
27 existence, but, in all instances of resignation or removal, 27
28 until a successor unit operator is selected and approved as 28
29 hereinafter provided, the working interest owners shall be 29
30 jointly responsible for performance of the duties of unit 30
31 operator, and shall not later than 30 days before such resigna- 31
32 tion or removal becomes effective appoint a common agent to 32