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| 1 | Director, and until all wells then drilled hereunder are placed in a | 1 |
| 2 | satisfactory condition for suspension or abandonment whichever is requir- | 2 |
| 3 | ed by the Supervisor, unless a new Unit Operator shall have been selected | 3 |
| 4 | and approved and shall have taken over and assumed the duties and obli- | 4 |
| 5 | gations of Unit Operator prior to the expiration of said period. | 5 |
| 6 | Unit Operator shall have the right to resign in like manner and | 6 |
| 7 | subject to like limitations as above provided at any time a participating | 7 |
| 8 | area established hereunder is in existence, but, in all instances of | 8 |
| 9 | resignation or removal, until a successor Unit Operator is selected and | 9 |
| 10 | approved as hereinafter provided, the working interest owners shall be | 10 |
| 11 | jointly responsible for performance of the duties of Unit Operator, and | 11 |
| 12 | shall not later than 30 days before such resignation or removal becomes | 12 |
| 13 | effective appoint a common agent to represent them in any action to be | 13 |
| 14 | taken hereunder. | 14 |
| 15 | The resignation of Unit Operator shall not release Unit Operator | 15 |
| 16 | from any liability for any default by it hereunder occurring prior to | 16 |
| 17 | the effective date of its resignation. | 17 |
| 18 | The Unit Operator may, upon default or failure in the performance | 18 |
| 19 | of its duties or obligations hereunder, be subject to removal by the | 19 |
| 20 | same percentage vote of the owners of working interests determined in | 20 |
| 21 | like manner as herein provided for the selection of a new Unit Operator. | 21 |
| 22 | Such removal shall be effective upon notice thereof to the Director. | 22 |
| 23 | The resignation or removal of Unit Operator under this agreement | 23 |
| 24 | shall not terminate its right, title, or interest as the owner of a | 24 |
| 25 | working interest or other interest in unitized substances, but upon the | 25 |
| 26 | resignation or removal of Unit Operator becoming effective, such Unit | 26 |
| 27 | Operator shall deliver possession of all equipment, materials, and | 27 |
| 28 | appurtenances used in conducting the unit operations and owned by the | 28 |
| 29 | working interest owners to the new duly qualified successor Unit Operator | 29 |
| 30 | or to the owners thereof if no such new Unit Operator is elected, to be | 30 |
| 31 | used for the purpose of conducting unit operations hereunder. Nothing | 31 |
| 32 | herein shall be construed as authorizing removal of any material, | 32 |