

1 10. PLAN OF FURTHER DEVELOPMENT AND OPERATION.

2 Within 6 months after completion of a well capable of pro-
3 ducing unitized substances in paying quantities, the Unit
4 Operator shall submit for the approval of the Supervisor
5 an acceptable plan of development and operation for the
6 unitized land which, when approved by the Supervisor, shall
7 constitute the further drilling and operating obligations
8 of the Unit Operator under this agreement for the period
9 specified therein. Thereafter, from time to time before the
10 expiration of any existing plan, the Unit Operator shall sub-
11 mit for the approval of the Supervisor a plan for an addi-
12 tional specified period for the development and operation
13 of the unitized land. Any plan submitted pursuant to this
14 section shall provide for the exploration of the unitized
15 area and for the diligent drilling necessary for determina-
16 tion of the area or areas thereof capable of producing
17 unitized substances in paying quantities in each and every
18 productive formation and shall be as complete and adequate
19 as the Supervisor may determine to be necessary for timely
20 development and proper conservation of the oil and gas
21 resources of the unitized area and shall

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

25 (b) To the extent practicable specify the operating
26 practices regarded as necessary and advisable for proper
27 conservation of natural resources. Separate plans may be
28 submitted for separate productive zones, subject to the
29 approval of the Supervisor. Said plan or plans shall be
30 modified or supplemented when necessary to meet changed
31 conditions or to protect the interests of all parties