

1 more than 90 days' time elapsing between the completion of one such well 1
 2 and the commencement of the next such well, except that the time allowed 2
 3 between such wells shall not expire earlier than 30 days after the expira- 3
 4 tion of any period of time during which drilling operations are prevented 4
 5 by a matter beyond the reasonable control of Unit Operator as set forth 5
 6 in the section hereof entitled "Unavoidable Delay"; provided that all legal 6
 7 subdivisions of lands not in a participating area and not entitled to be- 7
 8 come participating under the applicable provisions of this agreement with- 8
 9 in 10 years after said first day of the month following the effective date 9
 10 of said first initial participating area shall be eliminated as above 10
 11 specified. Determination of creditable "Unavoidable Delay" time shall be 11
 12 made by Unit Operator and subject to approval of the Director. The Unit 12
 13 Operator shall, within 90 days after the effective date of any elimina- 13
 14 tion hereunder, describe the area so eliminated to the satisfaction of the 14
 15 Director and promptly notify all parties in interest. 15

16 If conditions warrant extension of the 10-year period specified in 16
 17 this subsection 2(e), a single extension of not to exceed 2 years may be 17
 18 accomplished by consent of the owners of 90% of the current unitized work- 18
 19 ing interests and 60% of the current unitized basic royalty interests (ex- 19
 20 clusive of the basic royalty interests of the United States), on a total- 20
 21 nonparticipating-acreage basis, respectively, with approval of the Director, 21
 22 provided such extension application is submitted to the Director not later 22
 23 than 60 days prior to the expiration of said 10-year period. 23

24 Any expansion of the unit area pursuant to this section which embraces 24
 25 lands theretofore eliminated pursuant to this subsection 2(e) shall not be 25
 26 considered automatic commitment or recommitment of such lands. 26

27 3. UNITIZED LAND AND UNITIZED SUBSTANCES. All land committed to this 27
 28 agreement shall constitute land referred to herein as "unitized land" or 28
 29 "land subject to this agreement." All oil and gas in any and all formations 29
 30 of the unitized land are unitized under the terms of this agreement and here-30
 31 in are called "unitized substances." 31

32 4. UNIT OPERATOR, Phillips Petroleum Company is 32
 33 hereby designated as Unit Operator and by signature hereto as Unit Operator 33
 34 agrees and consents to accept the duties and obligations of Unit Operator 34