

1 showing to the extent known to the Unit Operator the acreage, percentage 1
2 and kind of ownership of oil and gas interests in all land in the Unit 2
3 Area. Exhibit "C" attached hereto, is a schedule showing the percentage 3
4 of participation credited to each Tract in the Unit Area based upon a pre- 4
5 sumed one hundred percent (100%) commitment. (Tract means each parcel of 5
6 land described as such and given a Tract Number in Exhibit "B"). However, 6
7 nothing herein or in said schedule or map shall be construed as a repre- 7
8 sentation by any party hereto as to the ownership of any interest other 8
9 than such interest or interests as are shown in said map or schedule as 9
10 owned by such party. Exhibits "A" and "B" shall be revised by the Unit 10
11 Operator whenever changes in the Unit Area render such revision necessary, 11
12 or when requested by the Oil and Gas Supervisor, hereinafter referred to 12
13 as "Supervisor" and not less than six (6) copies of the revised exhibits 13
14 shall be filed with the Supervisor. 14

15 3. EXPANSION OF UNIT AREA. It is recognized that at some time or 15
16 times in the future it might be desirable and beneficial to expand the 16
17 Unit Area to include therein additional tracts of land. The Unit Area 17
18 may, therefore, with the approval of the Director of the United States 18
19 Geological Survey, hereinafter referred to as "Director", be expanded to 19
20 include therein any additional Tract or Tracts whenever such expansion 20
21 is necessary or advisable to conform with the purposes of this agreement 21
22 and Unit Operator, acting on behalf of the Working Interest Owners col- 22
23 lectively after being duly authorized by them as provided for in the 23
24 Unit Operating Agreement, has negotiated an agreement or agreements with 24
25 the owners of such Tract or Tracts fixing the tract participation of each 25
26 such tract and committing the interests of such owners to this agreement and 26
27 to the Unit Operating Agreement. Whenever the Unit Area is enlarged 27
28 Exhibit "C" shall be revised as set forth in Section 12, Participation and 28
29 Allocation of Production. Any such expansion shall be effected in the 29
30 following manner: 30

31 (a) Unit Operator, on its own motion, after preliminary 31
32 concurrence by the Director, shall prepare a notice of proposed 32
33 expansion describing the contemplated changes in the boundaries 33
34 of the Unit Area, the tract participation of each added tract, the 34
35 reasons therefore, and the proposed effective date thereof, preferably 35