

11. PLAN OF OPERATION. It is recognized and agreed by the parties hereto that most of the Unit Area has been developed and proved productive but many of the wells have been plugged and abandoned so that some redrilling will be necessary, and information thereby obtained may justify development of unproved parts of the Unit Area, but only such drilling as is necessary to a secondary recovery or pressure maintenance program is contemplated.

Inasmuch as the primary purpose of this Unit Agreement is to permit the institution and consummation of a secondary recovery or pressure maintenance program for the maximum economic production of Unitized Substances consistent with good engineering and conservation practices, Unit Operator, concurrently with the filing of this Unit Agreement for final approval by the Director, shall submit to the Supervisor for approval, a plan of operation for the Unitized Land, and upon approval thereof by the Supervisor such plan shall constitute the future operating obligations of the Unit Operator under this Unit Agreement for the period specified therein. Thereafter, from time to time before the expiration of any existing plan, the Unit Operator shall submit for like approval a plan for an additional specified period of operation; said plan or plans shall be modified or supplemented when necessary to meet changed conditions, or to protect the interest of all parties to the Unit Agreement. Reasonable diligence shall be exercised in complying with the obligations of any approved plan of operation.

Unit Operator shall have the right to inject into the Unitized Formation any substances for secondary recovery or pressure maintenance purposes in accordance with a plan of operation approved by the Supervisor, including the right to drill and maintain injection wells on the Unitized land and completed in the Unitized Formation, and to use abandoned wells or wells producing from the Unitized Formation for said purposes, and the parties hereto, insofar as they have the right to do so, hereby grant unto Unit Operator the right to use so much of the surface of the Unitized Land as may be reasonably necessary for conducting the injection program.