

BTA OIL PRODUCERS, LLC HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

1. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- a. The hazards and characteristics of hydrogen sulfide (H₂S).
- The proper use and maintenance of personal protective equipment and life support systems.
- The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- a. The effects of H2S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

2. H2S SAFETY EQUIPMENT AND SYSTEMS

Note: All H₂S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S. If H₂S greater than 100 ppm is encountered in the gas stream we will shut in and install H₂S equipment.

a. Well Control Equipment:

Flare line.

Choke manifold with remotely operated choke.

Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.

Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

- Protective equipment for essential personnel:
 Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:
 2 portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems: Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.
- e. Mud Program:
 The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:
 All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- g. Communication:
 Company vehicles equipped with cellular telephone.

BTA OIL PRODUCERS, LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

WARNING

YOU ARE ENTERING AN H₂S AREA AUTHORIZED PERSONNEL ONLY

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED
- 2. HARD HATS REQUIRED
- 3. SMOKING IN DESIGNATED AREAS ONLY
- 4. BE WIND CONSCIOUS AT ALL TIMES
- 5. CK WITH BTA OIL PRODUCERS, LLC FOREMAN AT MAIN OFFICE

BTA OIL PRODUCERS LLC

1 - 432 - 682 - 3753

EMERGENCY CALL LIST

	OFFICE	MOBILE			
BTA Oil Producers LLC Office	432-682-3753				
NICK EATON	432-682-3753	432-260-7841			
COG OFFICE	575-748-6940				
SHERYL BAKER	575-748-6940	432-934-1873			
KENT GREENWAY	575-746-2010	432-557-1694			
SETH WILD	432-683-7443	432-528-3633			
WALTER ROYE	575-748-6940	432-934-1886			

EMERGENCY RESPONSE NUMBERS

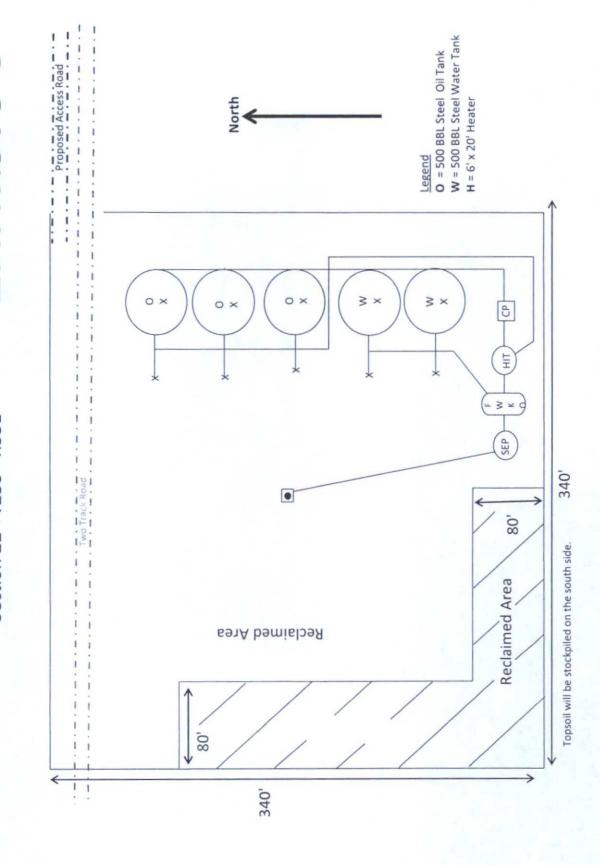
	OFFICE
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451

BTA Oil Producers LLC 104 South Pecos Midland , TX 79701

Production Facility Layout

7811 JV-P Rojo B #1H Section 22 - T255 - R33E

Exhibit 3





New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 22

Township: 25S

Range: 33E



New Mexico Office of the State Engineer Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned,

C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

	POD	EN AND LESS									18 18		
	Sub-		1000	Q							PARTECULAR		Water
POD Number	Code basin	County	64	16	4	Sec	Iws	Rng	X	Υ	Well	Water	Column
C 02312		LE	1	2	1	05	25S	33E	632241	3559687*	150	90	60
C 02313		LE	2	3	3	26	258	33E	636971	3552098*	150	110	40
C 02373 CLW317846	0	LE	2	1	1	13	258	33E	638518	3556544*	625	185	440
C 02373 S		LE	1	2	1	13	25S	33E	638721	3556549*	625	185	440

Average Depth to Water: 142 feet

> Minimum Depth: 90 feet

Maximum Depth: 185 feet

Record Count: 4

PLSS Search:

Township: 25S Range: 33E