

**Yates Petroleum Corporation**

HOBBS OCD

FEB 11 2013

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**Hydrogen Sulfide Drilling Operation Plan****I. 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:

1. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

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

1. The effects of H<sub>2</sub>S on metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and H<sub>2</sub>S Contingency Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operation Plan and the H<sub>2</sub>S Contingency Plan. **The location of this well does not require a Public Protection Plan.**

## II. 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.

### 1. Well Control Equipment:

- A. Flare line
- B. Choke manifold
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment may include if applicable: annular preventer & rotating head.

### 2. Protective equipment for essential personnel:

- A. Mark II Survive Air (or equivalent) 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

### 3. H2S detection and monitoring equipment:

- A. 3 portable H2S monitors positioned at: Shale Shaker, Bell Nipple, and Rig Floor. These units have warning lights and audible sirens when H2S levels of 10 PPM are reached.

### 4. Visual warning systems:

- A. Wind direction indicators as shown on well site diagram (attached).
- B. Caution/Danger signs (attached) shall be posted on roads providing direct access to location. Signs will be painted with high visibility yellow with black lettering of a sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

### 5. Mud program:

- A. The mud program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weight, safe drilling practices and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.

### 6. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- B. All elastomers used for packing and seals shall be H2S trim.



**7. Communication:**

- A. Cellular communications in company vehicles.
- B. Land line (telephone) communication at the Office.

**8. Well testing:**

- A. There will be no drill stem testing.

**EXHIBIT**

**DANGER**  
**POISONS GAS**  
**HYDROGEN SULFIDE**  
 **NORMAL OPERATIONS**  
(GREEN)  
**CAUTION POTENTIAL DANGER**  
(YELLOW)  
 **DANGER POISONS GAS ENCOUNTERED**  
(RED) **AUTHORIZED PERSONAL ONLY.**  
**LOCATION SECURED.**  
**1-575-746-1096**  
**1-877-879-8899**

EDDY COUNTY EMERGENCY NUMBERS

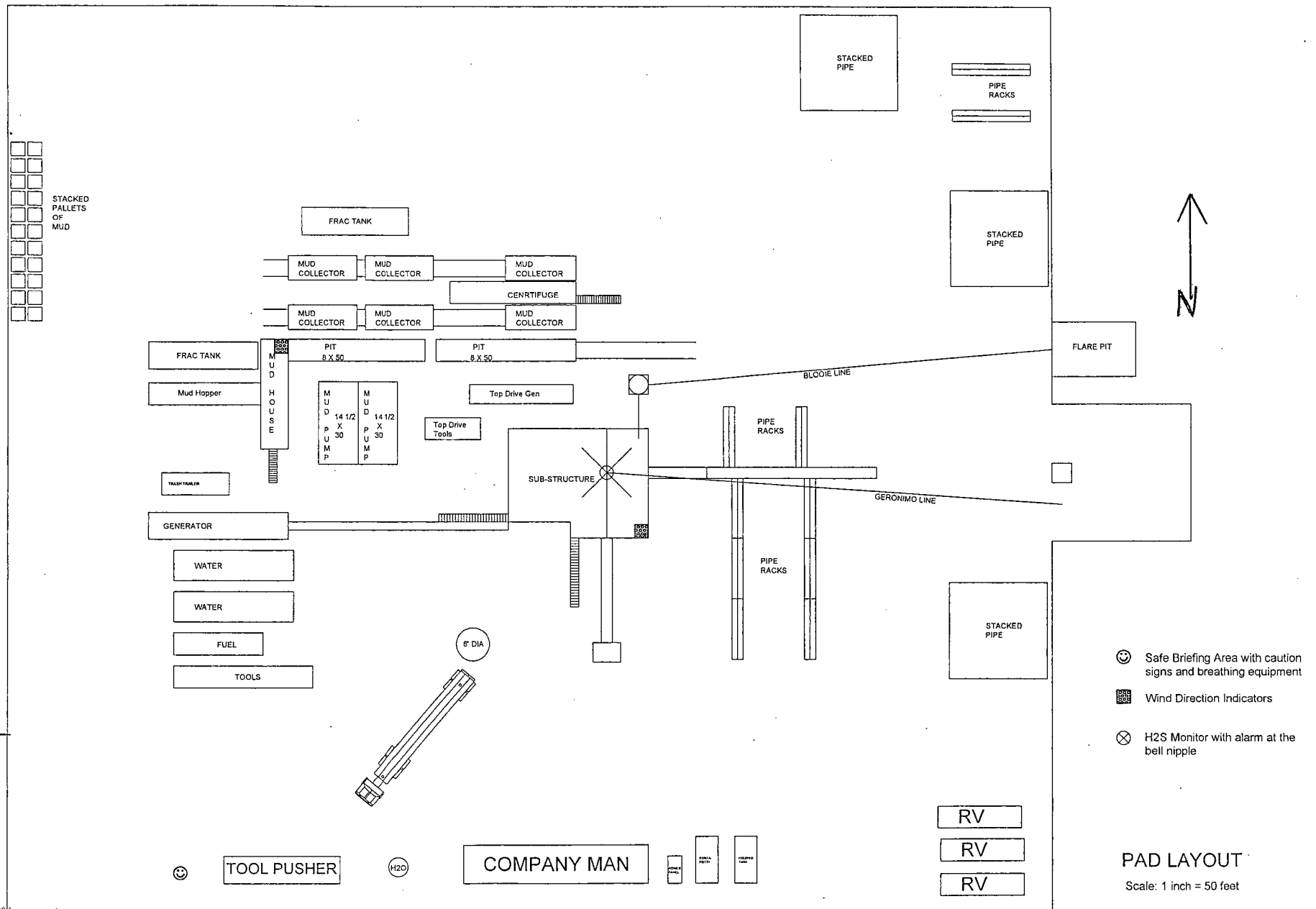
ARTESIA FIRE DEPT. 575-746-5050  
ARTESIA POLICE DEPT. 575-746-5000  
EDDY CO. SHERIFF DEPT. 575-746-9888

LEA COUNTY EMERGENCY NUMBERS

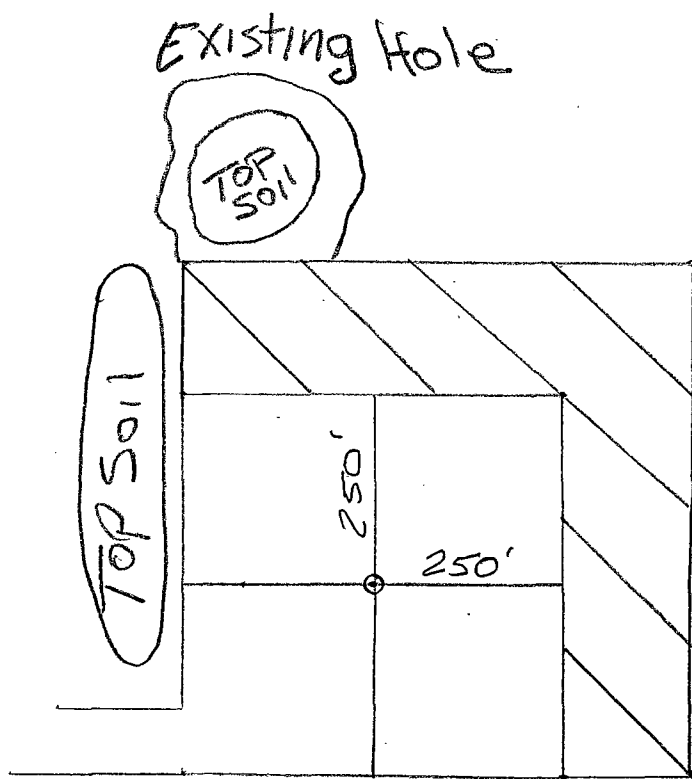
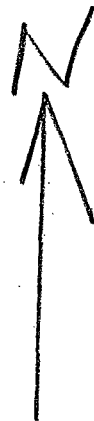
HOBBS FIRE DEPT. 575-397-9308  
HOBBS POLICE DEPT. 575-397-9285  
LEA CO. SHERIFF DEPT. 575-396-1196

# YATES PETROLEUM CORPORATION

Lusk AHB Federal #17H

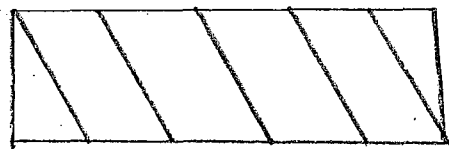


YATES PETROLEUM CORPORATION  
Lusk AHB Federal #17H  
RECLAMATION DIAGRAM



Not to Scale

PLEASE Note  
Final Reclamation  
May be Different  
Than This Plat.

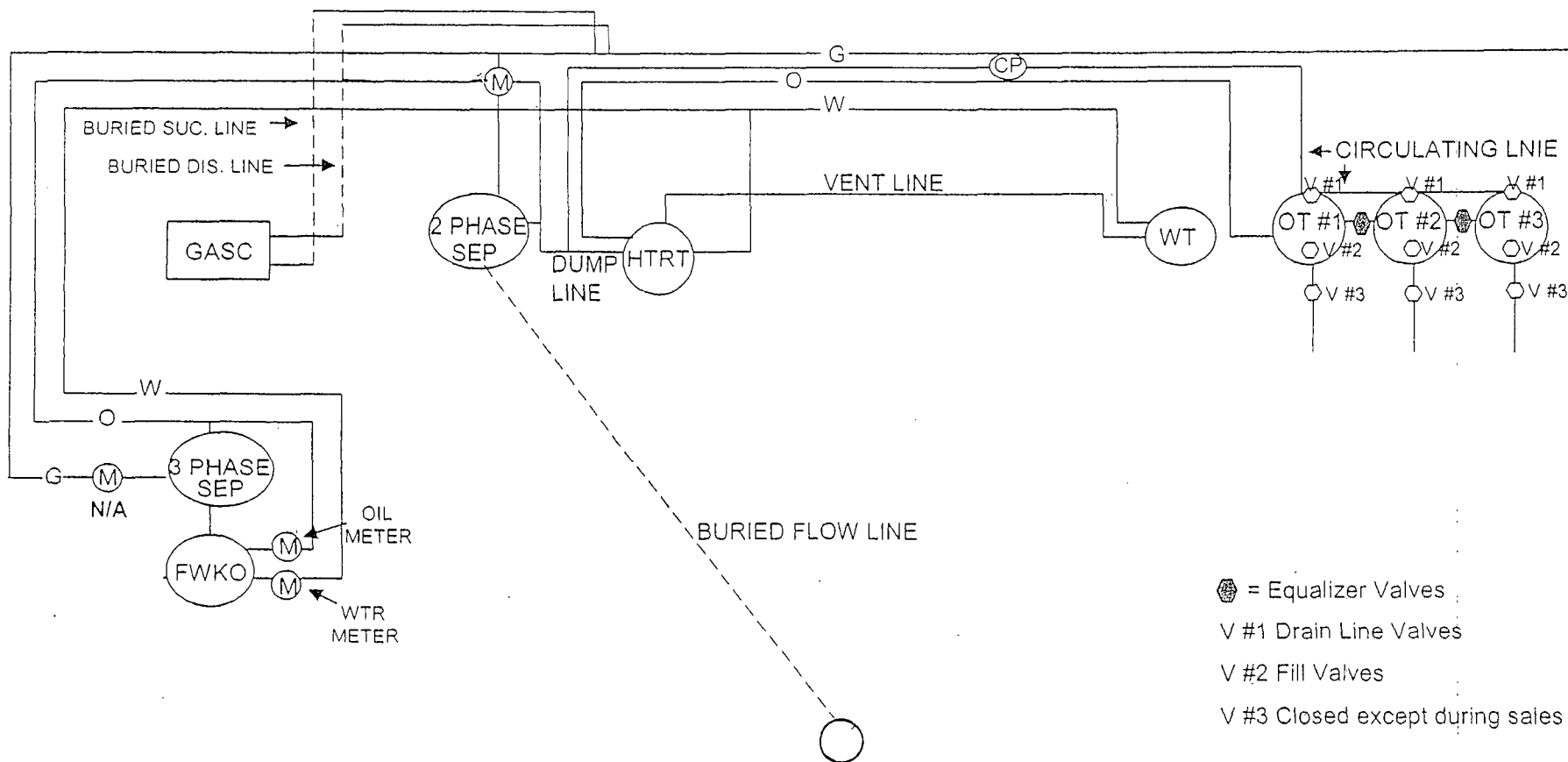


Possible  
Reclaimed  
Area



105 South 4<sup>th</sup> Street \* Artesia, NM 88210  
(575)-748-1471

-Danny Matthews  
June, 2010



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan  
which is on file at 105 South 4th Street, Artesia, NM