

**BTA OIL PRODUCERS, LLC**  
**HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

HOBBS OCT

OCT 26 2015

RECEIVED

**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 (H<sub>2</sub>S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

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

- a. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. 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 H<sub>2</sub>S Drilling Operations Plan and the Public Protection 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 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. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS**

Note: All H<sub>2</sub>S 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 H<sub>2</sub>S. If H<sub>2</sub>S greater than 100 ppm is encountered in the gas stream we will shut in and install H<sub>2</sub>S 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.

OCT 28 2015

- b. 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.

# **W A R N I N G**

**YOU ARE ENTERING AN H<sub>2</sub>S 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

	<u>OFFICE</u>	<u>MOBILE</u>
BTA Oil PRODUCERS LLC OFFICE	575-748-6940	
BEN GRIMES, Operations	432-682-3753	432-559-4309
NICK EATON, Drilling	432-682-3753	432-260-7841
CONCHO RESOURCES OFFICE	575-748-6940	

## EMERGENCY RESPONSE NUMBERS

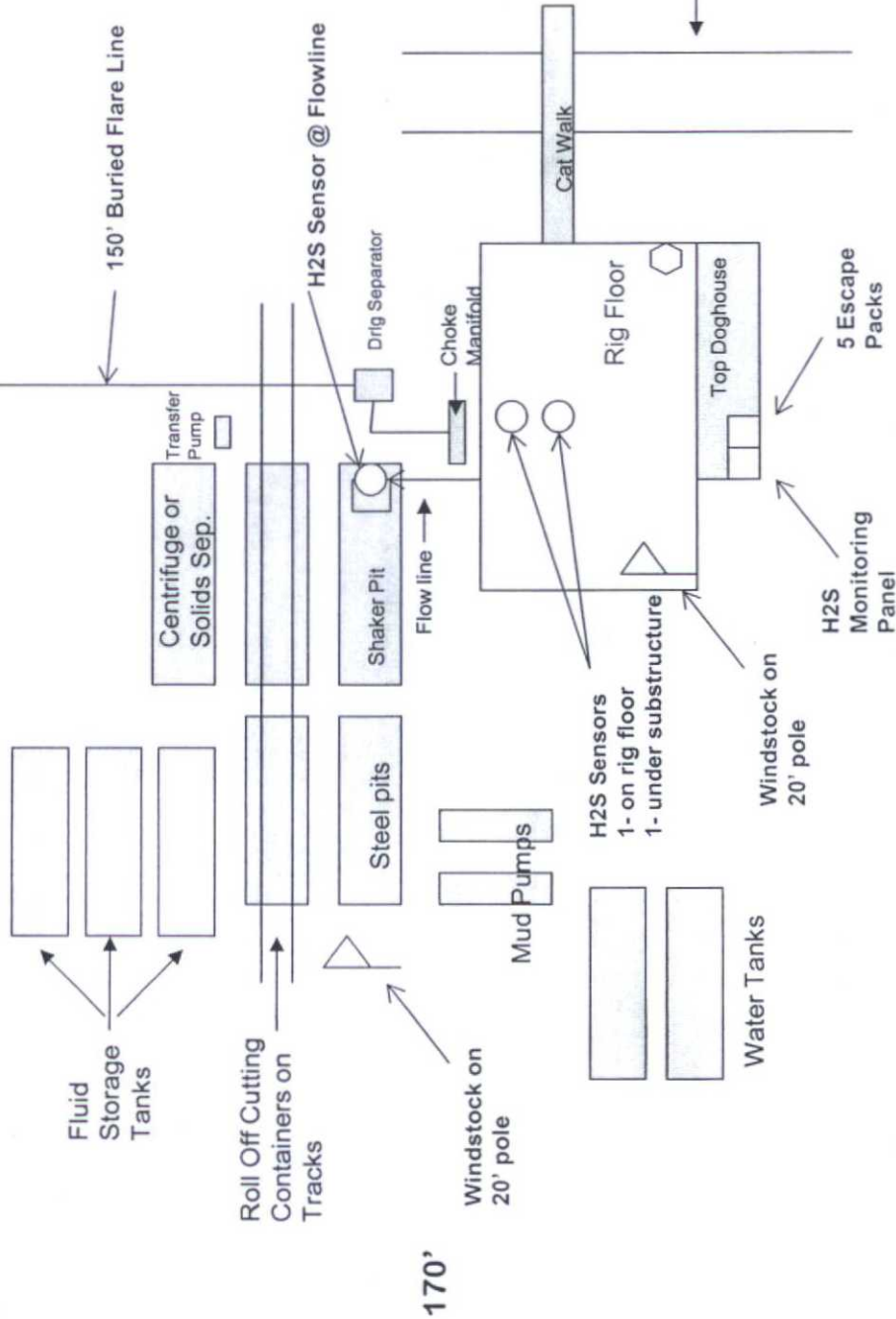
	<u>OFFICE</u>
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT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



Well pad will be 340' X 340'  
with cellar in center of pad

BTA Oil Producers LLC  
H<sub>2</sub>S Equipment Schematic  
Terrain: Shinnery sand hills.

Location Entry  
Condition Sign



Prevailing Wind  
Direction in SENM

170'  
Company Representative's Trailer

Secondary egress.

☐ Primary Briefing  
Area w/SCBA

☐ Briefing Area  
w/SCBA

Pipe  
Racks

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Time: 10:11 AM

Page 1 of 2

Run Date: 04/01/2015

01 02-25-1920;041STAT0437;30USC226

Total Acres

Serial Number

Case Type 311111: O&G LSE NONCOMP PUB LAND

840.000

NMNM-- - 015091

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 015091

Name & Address	Int Rel	% Interest
BTA OIL PRODUCERS	OPERATING RIGHTS	0.000000000
BTA OIL PRODUCERS	LESSEE	100.000000000
CHEVRON USA HOLDINGS INC	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 015091

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0250S	0330E	022	ALIQ	N2,SW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0250S	0330E	027	ALIQ	NWNE,W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 015091

Act Date	Code	Action	Action Remark	Pending Office
06/30/1951	387	CASE ESTABLISHED		
07/01/1951	496	FUND CODE	05;145003	
07/01/1951	530	RLTY RATE - 12 1/2%		
07/01/1951	868	EFFECTIVE DATE		
09/29/1971	209	CASE CREATED BY SEGR	OUT OF NMNM05792;	
09/30/1971	648	EXT BY PROD ON ASSOC LSE	NMNM05792;	
07/25/1972	058	NOTICE SENT-NONPROD STAT		
07/03/1979	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
07/03/1979	510	KMA CLASSIFIED		
07/03/1979	650	HELD BY PROD - ACTUAL	/1/	
07/03/1979	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM72121;	
10/02/1979	102	NOTICE SENT-PROD STATUS		
12/01/1979	246	LEASE COMMITTED TO CA	NMNM72121;SRM-1554	
06/23/1987	963	CASE MICROFILMED/SCANNED	CNUM 104,512	
12/02/1991	140	ASGN FILED	TEXACO INC/TEXACO EXP	
12/02/1991	932	TRF OPER RGTS FILED	TEXACO INC/TEXACO EXP	
03/09/1992	139	ASGN APPROVED	EFF 01/01/92;	
03/09/1992	933	TRF OPER RGTS APPROVED	EFF 01/01/92;	
04/19/1996	396	TRF OF INTEREST FILED	D MILLER/BENTALL ETAL	
04/19/1996	974	AUTOMATED RECORD VERIF	BTM	
02/03/1997	899	TRF OF ORR FILED	BENTALL/MILLER TR	
05/24/2002	140	ASGN FILED	TEXACO EXPL & PROD;1	
05/24/2002	932	TRF OPER RGTS FILED	TEXACO EXPL & PROD;1	
07/09/2002	139	ASGN APPROVED	EFF 06/01/02;	
07/09/2002	933	TRF OPER RGTS APPROVED	EFF 06/01/02;	
07/09/2002	974	AUTOMATED RECORD VERIF	JLV	
03/23/2004	140	ASGN FILED	CHEVRON/BTA OIL PROD	
03/23/2004	932	TRF OPER RGTS FILED	CHEVRON/BTA OIL PROD	
05/05/2004	139	ASGN APPROVED	EFF 04/01/04;	
05/05/2004	933	TRF OPER RGTS APPROVED	EFF 04/01/04;	
05/05/2004	974	AUTOMATED RECORD VERIF	MV	
11/07/2006	940	NAME CHANGE RECOGNIZED	TEXACO EXPL/CHEVRON	
08/25/2008	246	LEASE COMMITTED TO CA	NMNM121805	

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 10:11 AM

Page 2 of 2

Run Date: 04/01/2015

Serial Number: NMNM-- - 015091

Line Nr	Remarks
0002	07/09/02 - LESSEE
0003	CHEVRON USA INC - ES0022 NW



# *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

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.





# 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 Number	POD Sub-Code	basin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Depth Well	Depth Water	Water Column
C 02312			LE	1	2	1	05	25S	33E	632241	3559687*	150	90	60
C 02313			LE	2	3	3	26	25S	33E	636971	3552098*	150	110	40
C 02373 CLW317846	O		LE	2	1	1	13	25S	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

\*UTM location was derived from PLSS - see Help

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BTA Oil Producers, LLC  
104 South Pecos  
Midland, TX 79701

## Production Facility Layout

Rojo D 7811 JV-P Com #3H  
Section 22 - T25S - R33E

# Exhibit 3

