

30-025-41385

COG Operating LLC

HOBBS OCD

SEP 06 2013

## Hydrogen Sulfide Drilling Operation Plan

RECEIVED

### 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 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. **The concentrations of H<sub>2</sub>S of wells in this area from surface to TD are low enough that a contingency plan is not required.**

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SEP 11 2013

## **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 reasonable expected to contain H2S.

### **1. Well Control Equipment:**

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

### **2. Protective equipment for essential personnel:**

- A. SCBA (Self contained breathing apparatus) 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

### **3. H2S detection and monitoring equipment:**

- A. Portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 PPM are reached.

### **4. Visual warning systems:**

- A. Wind direction indicators as shown on well site diagram.
- B. Caution/Danger signs (Exhibit #7) 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.

### **5. Mud program:**

- A. The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight, safe drilling practices, and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.
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**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 H<sub>2</sub>S service.
- B. All elastomers used for packing and seals shall be H<sub>2</sub>S trim.

**7. Communication:**

- A. Radio communications in company vehicles including cellular telephone and 2-way radio.
- B. Land line (telephone) communication at Office.

**8. Well testing:**

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H<sub>2</sub>S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

**EXHIBIT #7**

**WARNING**  
**YOU ARE ENTERING AN H<sub>2</sub>S**  
**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. CHECK WITH COG OPERATING FOREMAN AT

**COG OPERATING LLC**  
**1-432-683-7443**  
**1-575-746-2010**

**EDDY COUNTY EMERGENCY NUMBERS**

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

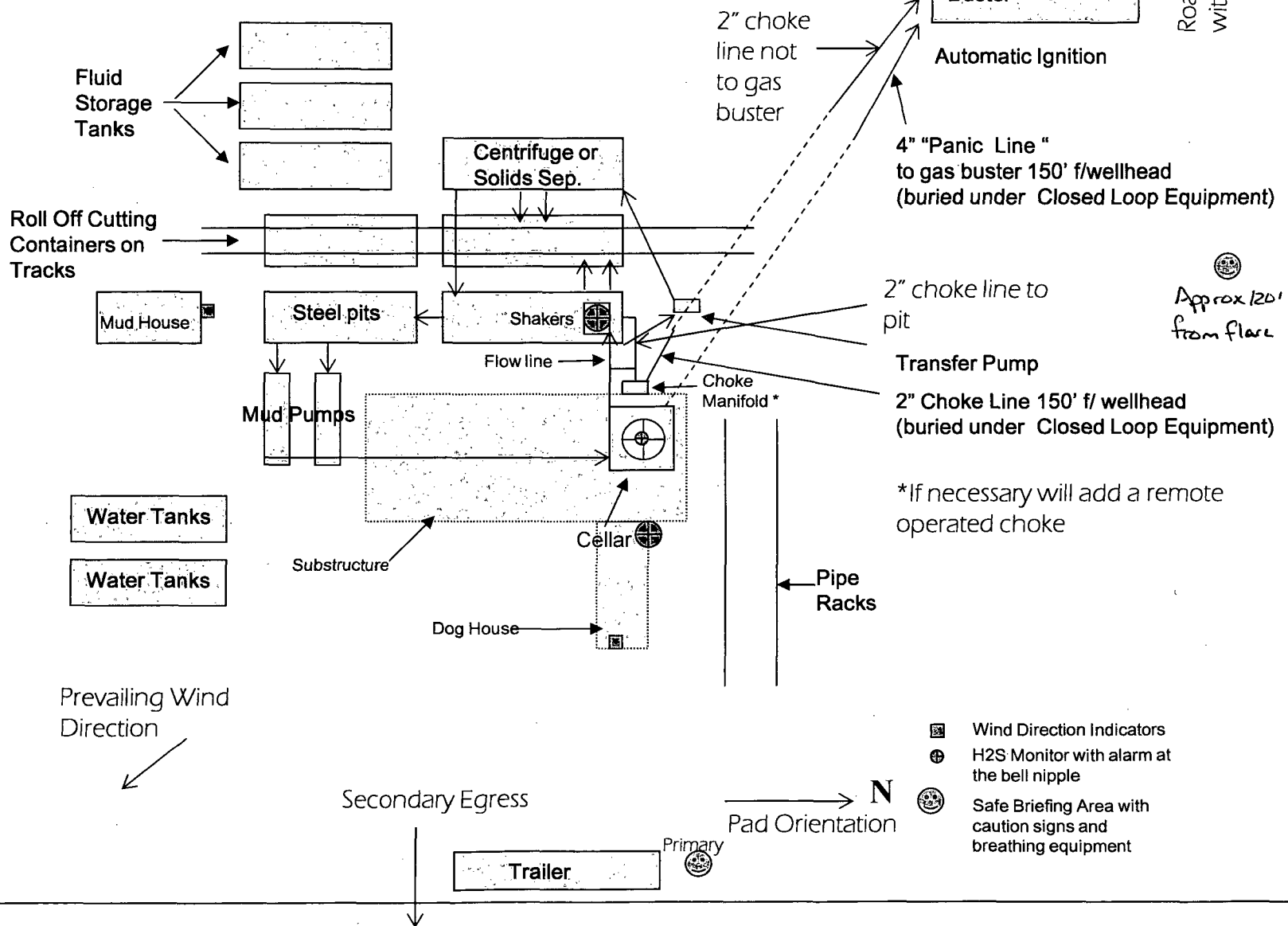
**LEA COUNTY EMERGENCY NUMBERS**

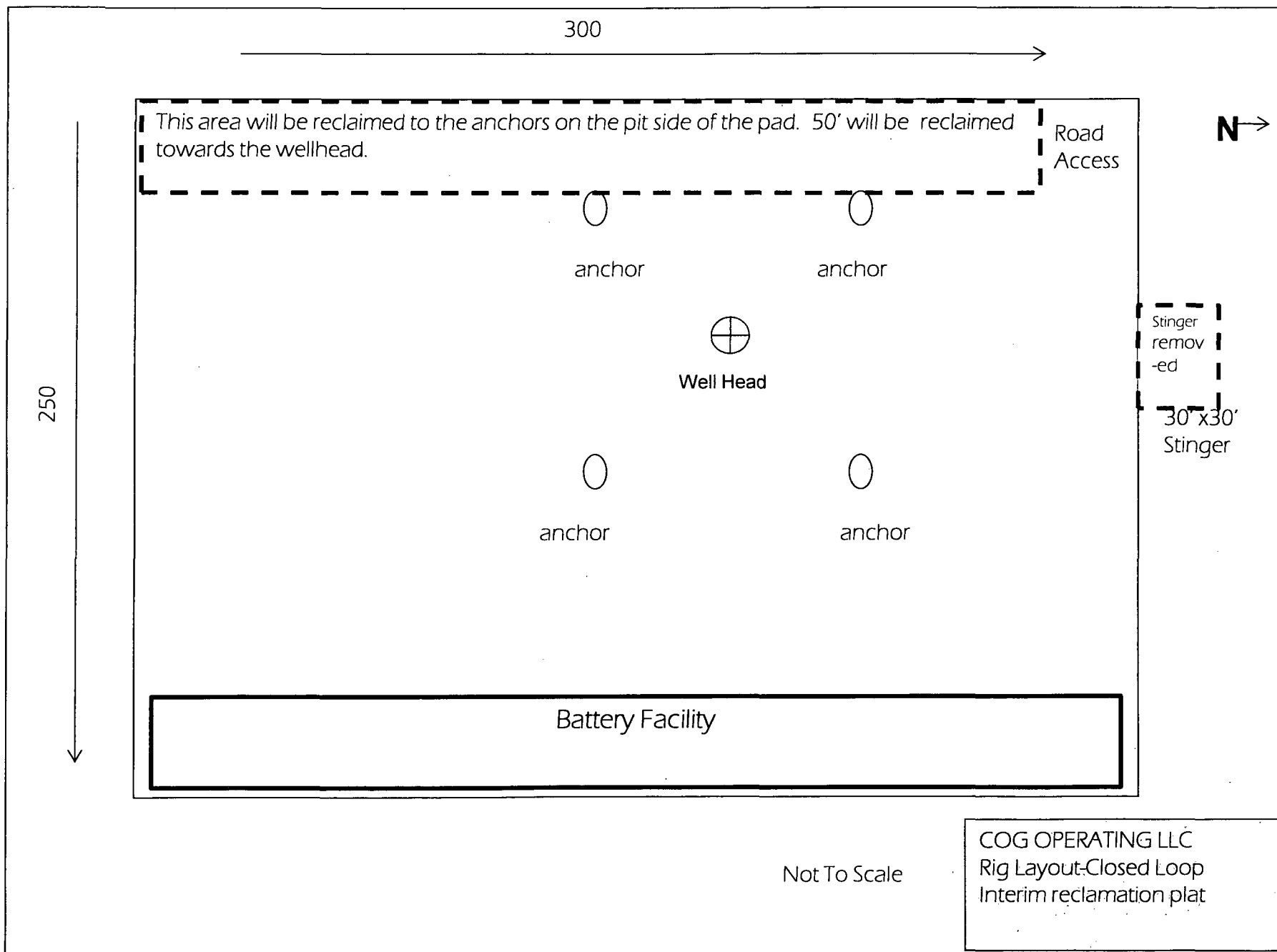
HOBBS FIRE DEPT. 575-397-9308  
HOBBS POLICE DEPT. 575-397-9285  
LEA CO. SHERIFF DEPT. 575-396-1196

COG Operating LLC

Drilling Location – Nelson Federal #1  
H2S Safety Equipment Diagram

## EXHIBIT 8

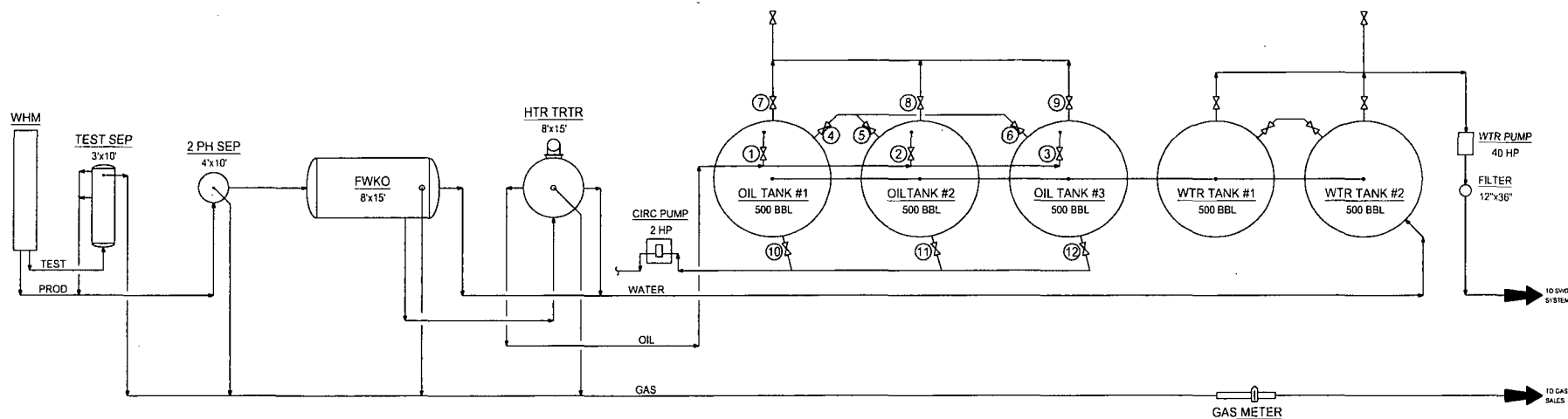




NORTH  
→

- Sales Phase - Oil Tank #1

- Valve 1 closed
- Valves 2 or 3 open
- Valve 4 closed
- Valves 5 and 6 open
- Valve 7 open
- Valves 8 and 9 closed
- Valves 10, 11, and 12 closed



CONFIDENTIALITY NOTICE

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ENGINEERING RECORD	
BY	DATE
DRIN: CRB	06/01/12
DES: CRB	06/01/12
CHK:	
APP:	
AFF NO:	
FAUL ENGR:	C. BLEDSOE
OPER ENGR:	VARIES

**CONCHO**  
NEW MEXICO SHELF ASSET  
PRODUCTION FACILITIES  
SITE FACILITY DIAGRAM  
STANDARD TANK BATTERY