

**Mack Energy Corporation**  
**Onshore Order #6**  
**Hydrogen Sulfide Drilling Operation Plan**

**HOBBS OCD**

**MAY 26 2015**

**I. HYDROGEN SULFIDE TRAINING**

**RECEIVED**

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.**

**II. 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.

**1. Well Control Equipment:**

- A. Flare line.
- B. Choke manifold. Remote operated choke will be used.
- 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.

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

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

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

- A. 1 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 (Exhibit #8).
- 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.

**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. 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 H2S environment will use the closed chamber method of testing.

Attached to Form 3160-3  
Mack Energy Corporation  
Cutthroat Federal #6  
SHL 1395 FNL & 1640 FEL, SW/NE, Sec. 29 T17S R32E  
BHL 1675 FNL & 1675 FEL, SW/NE, Sec. 29 T17S R32E  
Lea County, NM

B. There will be no drill stem testing.

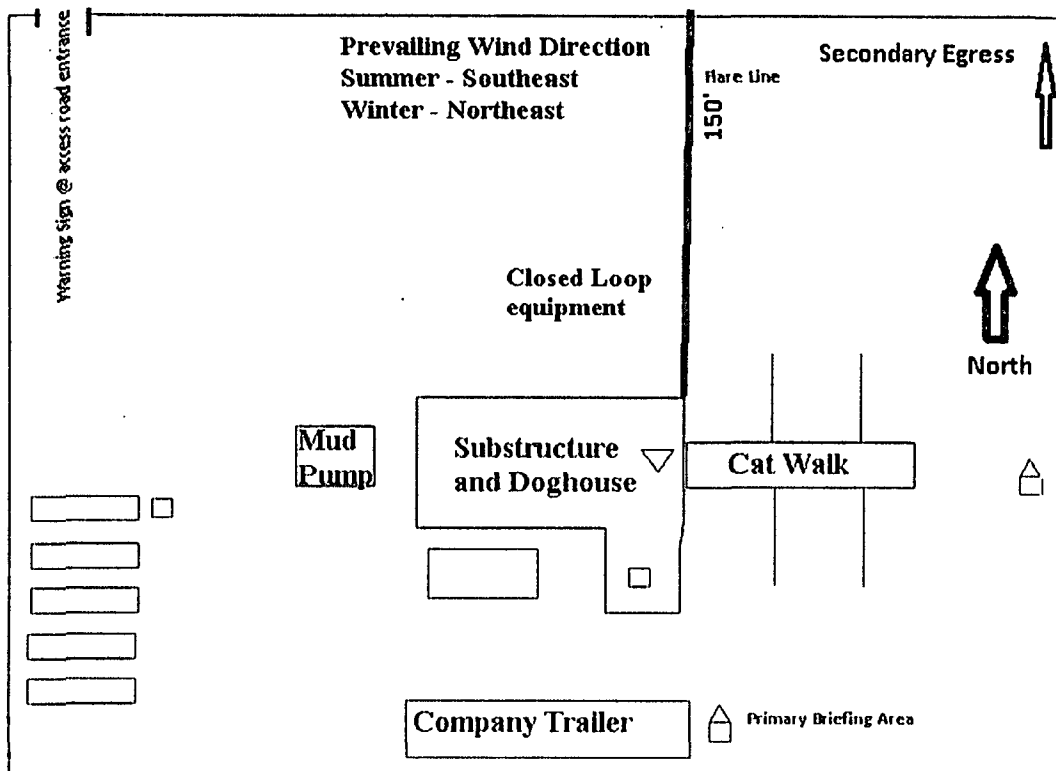
**EXHIBIT #7**

**WARNING**  
**YOU ARE ENTERING AN H2S**  
**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 MACK ENERGY FOREMAN AT OFFICE

**MACK ENERGY CORPORATION**

**1-575-748-1288**

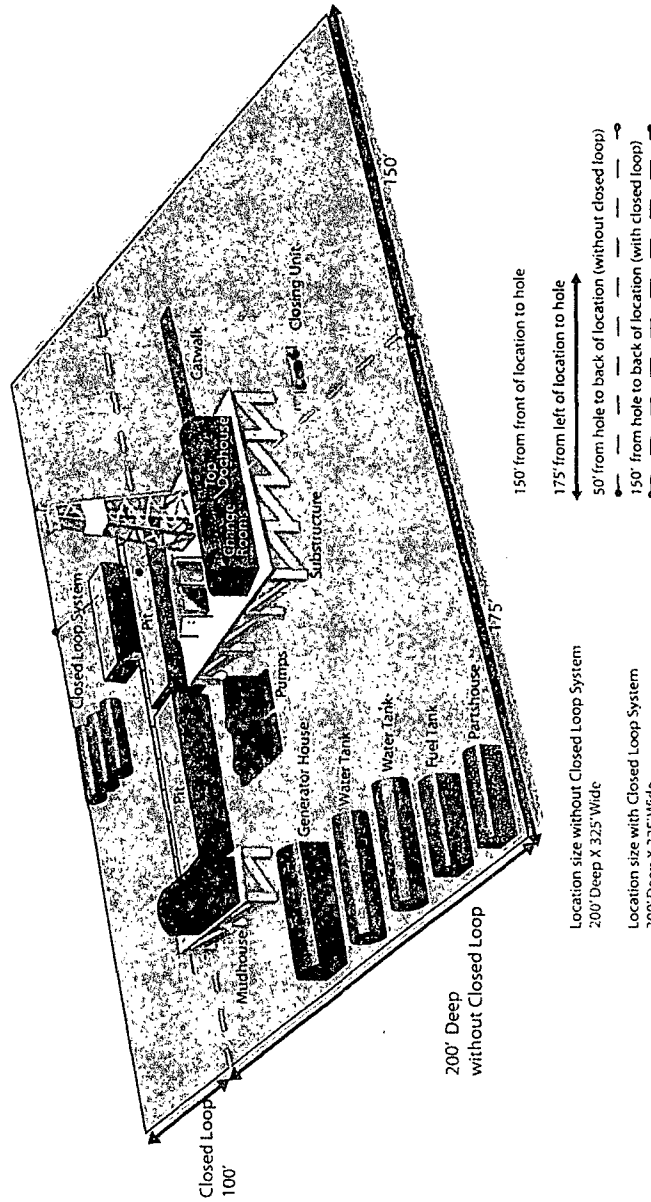


- ▽ H2S Monitors with alarms at the bell nipple
- Wind Direction Indicators
- △ Safe Briefing areas with caution signs and breathing equipment min 150 feet from Well head

# DRILLING LOCATION H2S SAFTY EQUIPMENT

Exhibit # 8

## Location Layout



Location size without Closed Loop System  
200' Deep X 325' Wide  
Location size with Closed Loop System  
300' Deep X 325' Wide



Silver Oak Drilling - 10 Bilco Road - Artesia, NM 86210 - 575-746-4405  
info@silveroakdrilling.com - www.silveroakdrilling.com

**Mack Energy Corporation Call List, Eddy, Chaves & Lea County**

<b>Artesia (575)</b>	<b>Cellular</b>	<b>Office</b>
Jim Krogman.....	432-934-1596.....	748-1288
Donald Archer.....	748-7875.....	748-1288
Emilio Martinez.....	432-934-7586.....	748-1288
Kevin Garrett.....	432-934-7948.....	748-1288

**Agency Call List (575)****Regional**

State Police.....	622-7200
Eddy County Regional Dispatch.....	616-7155
Chaves County Regional Dispatch.....	624-7590
Lea County Regional Dispatch.....	396-3611
LEPC (Local Emergency Planning Committee).....	624-6770
NMOCD.....Hobbs 393-6161.....	Artesia 748-1283
BLM.....Carlsbad 234-5972.....	Roswell 627-0272

**Emergency Services**

Boots & Coots IWC.....	1-800-256-9688 or (281)931-8884
Cudd pressure Control.....	(915)699-0139 or (915)563-3356
Halliburton.....	746-2757
Par Five.....	748-9539
Flight For Life-Lubbock, TX.....	(806)743-9911
Aerocare-Lubbock, TX.....	(806)747-8923
Med Flight Air Amb-Albuquerque, NM.....	(505)842-4433
Lifeguard Air Med Svc. Albuquerque, NM.....	(505)272-3115