District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

District IV

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1200 South St. Francis Dr.

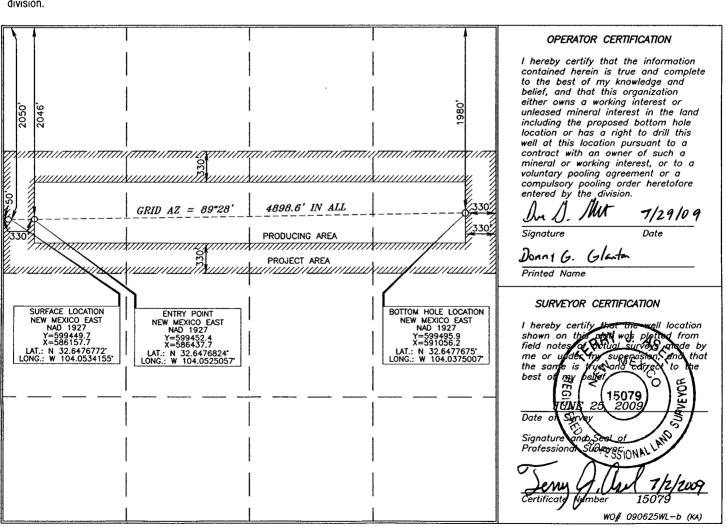
OIL CÒNSERVATION DIVISIÖN 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease-4 Copies Fee Lease-3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT Number Pool Code Pool Name 60640 30-015-Bone Spring Property Name Well Number Property Code 33350 PARKWAY 23 STATE COM 3HOperator Name Elevation OGRID No. 7377 EOG RESOURCES, INC. 3311.0

Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County \boldsymbol{E} 19 SOUTH 29 EAST, N.M.P.M. 2050 NORTH 23 50 WEST **EDDY** Bottom Hole Location If Different From Surface UL or lot no. Section East/West line Township Range Lot Idn Feet from the North/South line Feet from the County H23 29 EAST, N.M.P.M. 1980 NORTH 19 SOUTH 330 EAST **EDDY** Dedicated Acres Joint or Infill Consolidation Code Order No. 160

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Permit Information:

Well Name: Parkway 23 State Com #3H

Location:

SL BHL 2050° FNL & 50° FWL, Section 23, T-19-S, R-29-E, Eddy Co., N.M.

1980' FNL & 330' FEL, Section 23, T-18-S, R-30-E, Eddy Co., N.M.

Casing Program:

Casing	Setting Depth	Hole Size	Casing Size	Casing Weight	Casing Grade	Desired TOC
Surface	360'	14-3/4"	11-3/4"	42#	H-40	Surface
Intermediate	3,300'	11"	8-5/8"	32#	J-55	Surface
Production	12,652'	7-7/8"	5 1/2"	17#	N-80	2800'

Cement Program:

Depth	No.	Slurries:
	Sacks	^
360'	500	Premium Plus C + 0.005 pps Static Free + 2% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
3,300'	650	Lead: Class C + 2% SMS + 1.0% R-3 + 0.25 pps CelloFlake + 0.005 pps Static Free
	200	Tail: Premium Plus C + 0.25 pps CelloFlake + 0.005 pps Static Free
12,652'	750	Lead: 50:50:10 Poz:C:Gel+ 0.005 pps Static Free + 0.25 pps CelloFlake + 0.005 gps FP-6L + 0.80% FL-52A + 0.30% ASA-301 + 0.15% SMS
	1000	Tail: 50:50:2 Poz: H: Gel + 0.005 pps Static Free + 5% NaCl + 0.2% CD-32 + 0.65% FL-52A

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 360'	Fresh - Gel	8.6-8.8	28-34	N/c
360' – 3,300'	Brine	10.0-10.2	28-34	N/c
3,300' - 7,000'	Fresh Water	8.4 - 8.6	28-34	N/c
7,000' – 7,500'	Cut Brine	8.8-9.6	28-34	N/c
7,500' – 8,400'	Cut Brine	8.8-9.6	28-34	10-15
KOP – 12,652'	Cut Brine/	8.8-9.6	40-45	10-25
	Polymer (Lateral)			



Project: Eddy County

Site: Parkway 23 State Com

Well: #3H Wellbore: OH

PBHL(P23S#3H)

Plan: Plan #1 (#3H/OH)

	SECTION DETAILS													
Sec	MD	inc	Azı	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target				
1	0 00	0 00	0 00	0 00	0.00	0 00	0 00	0 00	0 00	•				
2	7460 00	0 00	0.00	7460.00	0 00	0 00	0 00	0.00	0.00					
3	8268.96	90 00	89 47	7975 00	4 76	514 98	11 13	89 47	515 00					
4	8458 23	90 00	89.46	7975.00	6 53	704 24	0 01	-90 00	704 27					
5	12652 68	90 00	89.46	7975.00	46.20	4898 50	0.00	0 00	4898.72	PBHL(P23S#3H)				

WELLBORE TARGET DETAILS (MAP CO-ORDINATES) Northing Easting Shape 599495 900 591056 200 Point 7975 00 4898 50

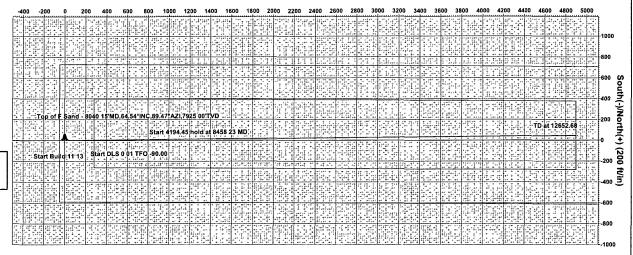
G M

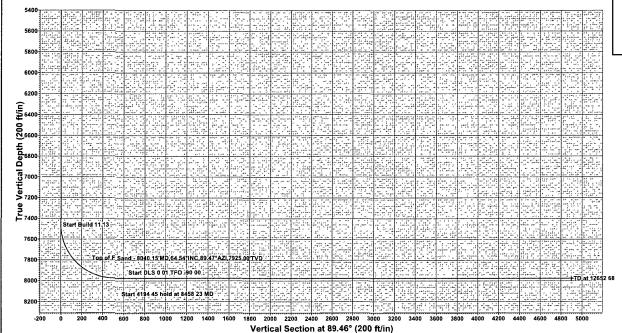
Azimuths to Grid North True North: -0.15° Magnetic North: 7.90°

Magnetic Field Strength: 49034.8snT Dip Angle: 60.56° Date: 07/28/2009 Model: IGRF200510



West(-)/East(+) (200 ft/in)





WELL DETAILS #3H

Ground Elevation. 3311 00
RKB Elevation. WELL @ 3330 00ft (19' KB Correction)
Rig Name. 19' KB Correction

+N/-S +E/-W 0 00 Northing Easting 586157 700 Latittude Longitude 32° 38' 51 637 N 104° 3' 12 296 W Slot 599449 700

> PROJECT DETAILS. Eddy County Geodetic System: US State Plane 1927 (Exact solution) Datum: NAD 1927 (NADCON CONUS) Ellipsoid: Clarke 1866 Zone: New Mexico East 3001

System Datum: Mean Sea Level Local North: Grid

ļ		Plan Plan#	1 (#3H/0	OH)	
	Created By	Nate Bingham	Date	15 17, July 28 2009	-
	Checked		Date		

Seogresources

EOG Resources, Inc.

Eddy County Parkway 23 State Com #3H OH

Plan: Plan #1

Pathfinder X & Y Planning Report

28 July, 2009





Pathfinder X & Y Planning Report



EOG Resources, Inc. Company:

Eddy County Project:

Parkway 23 State Com Site:

Well: Wellbore: ОН Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

WELL @ 3330.00ft (19' KB Correction) WELL @ 3330.00ft (19' KB Correction) Grid

Survey Calculation Method:

Database:

Minimum Curvature Midland Database

Project Eddy County

US State Plane 1927 (Exact solution) Map System: NAD 1927 (NADCON CONUS) Geo Datum:

Map Zone:

New Mexico East 3001

System Datum:

Mean Sea Level

Well #3H

Parkway 23 State Com

Site Position: From:

Мар

Northing: Easting:

600,739 000 ft 586.310 400 ft

ft

60 56

Latitude: Longitude:

32° 39' 4 392 N 104° 3' 10 470 W

Position Uncertainty:

0.00 ft

Slot Radius:

Grid Convergence:

0 15°

Well #3H

Well Position +N/-S +E/-W

Position Uncertainty

0 00 ft 0.00 ft 0.00 ft

07/28/2009

Northing: 599,449.700 ft Easting: 586.157 700 ft

Wellhead Elevation:

Latitude: Longitude:

32° 38' 51.637 N 104° 3' 12.296 W

Ground Level: 3,311.00 ft

ОН Wellbore

Magnetics Model Name

Sample Date

Declination

0.00

Dip Angle

Field Strength (nT)

49,035

Design Plan #1

Audit Notes:

Phase: Version:

IGRF200510

PLAN

Tie On Depth:

0.00

8.05

0 00

89.46

Vertical Section: Depth From (TVD) Direction (ft) (ft)

0.00

Date 07/28/2009

From

(ft) Survey (Wellbore) 12,652.68 Plan #1 (OH)

Tool Name

MWD

Description

MWD - Standard

Survey Tool Program



Pathfinder X & Y Planning Report



Company: Project:

EOG Resources, Inc.

Eddy County

Parkway 23 State Com

Site: Park Well: #3H Wellbore: OH Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method: Database:

Well #3H

WELL @ 3330.00ft (19' KB Correction) WELL @ 3330.00ft (19' KB Correction)

Grid

Design: Flan #1				1000		atapase.				
Planned Survey										
										<u> </u>
MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	The state of the s			DLeg /100ft)	Northing (ft)	Easting (ft)
0.00	0.00	0.00	0.00	-3,330 00	0.00	0 00	0.00	0 00	599,449.70	586,157.70
100.00	0.00	0.00	100 00	-3,230.00	0 00	0.00	0 00	0.00	599,449 70	586,157.70
200.00	0 00	0 00	200 00	-3,130.00	0 00	0.00	0.00	0.00	599,449 70	586,157.70
300 00	0 00	0.00	300.00	-3,030.00	0.00	0 00	0.00	0 00	599,449.70	586,157.70
400 00	0 00	0 00	400.00	-2,930.00	0.00	0 00	0.00	0.00	599,449.70	586,157.70
500 00	0.00	0 00	500.00	-2,830.00	0.00	0 00	0.00	0 00	599,449.70	586,157.70
600 00	0.00	0.00	600.00	-2,730 00	0 00	0.00	0.00	0.00	599,449 70	586,157.70
700.00	0 00	0.00	700.00	-2,630 00	0.00	0 00	0 00	0.00	599,449 70	586,157.70
800.00	0.00	0 00	800.00	-2,530 00	0.00	0.00	0 00	0.00	599,449 70	586,157 70
900.00	0 00	0 00	900.00	-2,430 00	0.00	0 00	0.00	0 00	599,449 70	586,157.70
1,000.00	0 00	0 00	1,000 00	-2,330 00	0 00	0 00	0.00	0.00	599,449 70	586,157.70
1,100.00	0 00	0 00	1,100.00	-2,230.00	0 00	0 00	0.00	0.00	599,449 70	586,157 70
1,200.00	0.00	0.00	1,200 00	-2,130.00	0 00	0.00	0 00	0 00	599,449.70	586,157.70
1,300 00	0 00	0 00	1,300.00	-2,030 00	0.00	0 00	0.00	0.00	599,449 70	586,157 70
1,400.00	0.00	0 00	1,400 00	-1,930 00	0 00	0.00	0 00	0.00	599,449 70	586,157 70
1,500 00	0.00	0 00	1,500 00	-1,830 00	0.00	0 00	0.00	0 00	599,449 70	586,157.70
1,600.00	0.00	0 00	1,600 00	-1,730 00	0.00	0.00	0 00	0.00	599,449 70	586,157.70
1,700.00	0 00	0 00	1,700 00	-1,630 00	0.00	0.00	0 00	0.00	599,449 70	586,157 70
1,800.00	0.00	0.00	1,800.00	-1,530.00	0.00	0.00	0.00	0.00	599,449.70	586,157.70
1,900 00	0 00	0 00	1,900.00	-1,430.00	0 00	0.00	0.00	0.00	599,449.70	586,157.70
2,000 00	0.00	0 00	2,000.00	-1,330.00	0 00	0.00	0.00	0.00	599,449 70	586,157 70
2,100 00	0 00	0 00	2,100.00	-1,230 00	0 00	0 00	0.00	0.00	599,449 70	586,157.70
2,200.00	0.00	0 00	2,200 00	-1,130.00	0.00	0.00	0.00	0.00	599,449 70	586,157 70
2,300 00	0 00	0 00	2,300.00	-1,030 00	0 00	0.00	0.00	0.00	599,449 70	586,157.70
2,400 00	0.00	0.00	2,400 00	-930 00	0 00	0 00	0.00	0.00	599,449 70	586,157.70
2,500.00	0 00	0 00	2,500.00	-830 00	0 00	0.00	0.00	0.00	599,449 70	586,157.70
2,600 00	0.00	0 00	2,600 00	-730 00	0 00	0 00	0.00	0.00	599,449.70	586,157 70



Pathfinder X & Y Planning Report



EOG Resources, Inc.

Site:

Parkway 23 State Com

Well: Wellbore:

Company: EOG Resource
Project: Eddy County

ОН Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Database:

Well #3H

WELL @ 3330 00ft (19' KB Correction) WELL @ 3330 00ft (19' KB Correction)

Grid

in the state of th			married and a second							
Planned Survey										
MD	Inc	Azi	TVD	TVDSS	N/S	E/W	V. Sec	DLeg	Northing	Easting
(ft)	(°)	(?)	(ft)	(ft)	(ft)	(ft):		/100ft)	(ft)	- (ft)
2,700.00	0.00	0.00	2,700.00	-630 00	0 00	0.00	0 00	0.00	599,449.70	586,157 70
2,800.00	0.00	0 00	2,800.00	-530.00	0 00	0.00	0.00	0 00	599,449 70	586,157.70
2,900.00	0 00	0 00	2,900 00	-430.00	0 00	0.00	0.00	0.00	599,449.70	586,157.70
3,000.00	0.00	0 00	3,000.00	-330 00	0.00	0 00	0 00	0.00	599,449 70	586,157 70
3,100.00	0.00	0.00	3,100.00	-230.00	0.00	0 00	0.00	0.00	599,449 70	586,157 70
3,200 00	0.00	0 00	3,200.00	-130.00	0.00	0 00	0.00	0.00	599,449.70	586,157 70
3,300.00	0.00	0 00	3,300 00	-30 00	0.00	0.00	0.00	0 00	599,449.70	586,157.70
3,400 00	0 00	0.00	3,400.00	70 00	0 00	0.00	0.00	0 00	599,449 70	586,157.70
3,500 00	0 00	0.00	3,500.00	170 00	0.00	0.00	0.00	0.00	599,449 70	586,157.70
3,600.00	0 00	0.00	3,600 00	270.00	0 00	0.00	0 00	0.00	599,449 70	586,157.70
3,700.00	0 00	0.00	3,700 00	370.00	0 00	0.00	0 00	0.00	599,449 70	586,157.70
3,800.00	0 00	0.00	3,800 00	470.00	0 00	0 00	0.00	0.00	599,449.70	586,157.70
3,900.00	0.00	0 00	3,900.00	570.00	0 00	0 00	0.00	0 00	599,449.70	586,157.70
4,000.00	0.00	0.00	4,000 00	670.00	0.00	0.00	0 00	0.00	599,449 70	586,157.70
4,100.00	0.00	0 00	4,100 00	770.00	0.00	0.00	0.00	0.00	599,449 70	586,157.70
4,200.00	0.00	0.00	4,200.00	870 00	0.00	0.00	0 00	0.00	599,449 70	586,157.70
4,300.00	0.00	0 00	4,300.00	970 00	0.00	0.00	0 00	0 00	599,449 70	586,157 70
4,400.00	0 00	0.00	4,400.00	1,070 00	0.00	0 00	0.00	0.00	599,449 70	586,157.70
4,500.00	0.00	0.00	4,500 00	1,170 00	0 00	0 00	0.00	0 00	599,449.70	586,157.70
4,600.00	0 00	0 00	4,600.00	1,270.00	0 00	0.00	0.00	0 00	599,449.70	586,157.70
4,700 00	0.00	0 00	4,700 00	1,370.00	0 00	0 00	0 00	0.00	599,449.70	586,157 70
4,800.00	0.00	0 00	4,800 00	1,470.00	0 00	0.00	0 00	0.00	599,449 70	586,157 70
4,900.00	0.00	0 00	4,900 00	1,570 00	0.00	0.00	0 00	0.00	599,449 70	586,157.70
5,000.00	0.00	0 00	5,000.00	1,670 00	0 00	0 00	0.00	0.00	599,449 70	586,157.70
5,100.00	0.00	0 00	5,100.00	1,770 00	0.00	0 00	0.00	0 00	599,449.70	586,157 70
5,200 00	0.00	0.00	5,200.00	1,870.00	0.00	0 00	0.00	0.00	599,449.70	586,157 70
5,300.00	0 00	0.00	5,300 00	1,970.00	0.00	0.00	0 00	0.00	599,449.70	586,157 70



ОН

Plan #1

Pathfinder Energy Services

Pathfinder X & Y Planning Report



Company:

EOG Resources, Inc.

Project: Site:

Well: Wellbore: Design: Eddy County Parkway 23 State Com

Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Database:

Well#3H

WELL @ 3330.00ft (19' KB Correction) WELL @ 3330.00ft (19' KB Correction)

Grid

Planned Survey		AND THE PROPERTY OF THE								2000
	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)		DLeg //100ft)	Northing (ft)	Easting (ft)
5,400.00	0 00	0 00	5,400.00	2,070 00	0 00	0.00	0.00	0 00	599,449.70	586,157.70
5,500 00	0.00	0.00	5,500.00	2,170.00	0 00	0 00	0.00	0 00	599,449 70	586,157 70
5,600 00	0 00	0.00	5,600.00	2,270.00	0 00	0.00	0.00	0 00	599,449.70	586,157 70
5,700 00	0 00	0 00	5,700 00	2,370 00	0 00	0 00	0.00	0.00	599,449.70	586,157.70
5,800 00	0 00	0 00	5,800 00	2,470 00	0.00	0 00	0.00	0.00	599,449.70	586,157.70
5,900 00	0.00	0 00	5,900 00	2,570 00	0.00	0.00	0 00	0.00	599,449.70	586,157.70
6,000.00	0 00	0.00	6,000 00	2,670.00	0 00	0.00	0 00	0.00	599,449.70	586,157.70
6,100.00	0.00	0 00	6,100.00	2,770 00	0.00	0 00	0.00	0.00	599,449.70	586,157.70
6,200.00	0.00	0.00	6,200.00	2,870.00	0 00	0 00	0.00	0 00	599,449.70	586,157.70
6,300.00	0.00	0 00	6,300.00	2,970.00	0.00	0.00	0.00	0.00	599,449 70	586,157 70
6,400.00	0.00	0 00	6,400.00	3,070.00	0 00	0.00	0 00	0.00	599,449 70	586,157 70
6,500.00	0.00	0 00	6,500.00	3,170 00	0 00	0.00	0 00	0.00	599,449 70	586,157.70
6,600 00	0 00	0.00	6,600 00	3,270 00	0.00	0.00	0.00	0 00	599,449.70	586,157 70
6,700 00	0.00	0 00	6,700.00	3,370 00	0.00	0 00	0 00	0.00	599,449.70	586,157.70
6,800 00	0.00	0.00	6,800.00	3,470 00	0.00	0 00	0.00	0 00	599,449 70	586,157.70
6,900.00	0 00	0.00	6,900.00	3,570.00	0 00	0.00	0.00	0 00	599,449.70	586,157 70
7,000.00	0.00	0 00	7,000.00	3,670.00	0 00	0.00	0 00	0.00	599,449.70	586,157 70
7,100.00	0.00	0 00	7,100.00	3,770.00	0.00	0.00	0 00	0.00	599,449 70	586,157 70
7,200.00	0.00	0.00	7,200 00	3,870.00	0.00	0.00	0.00	0 00	599,449.70	586,157.70
7,300.00	0.00	0 00	7,300.00	3,970 00	0.00	0 00	0.00	0 00	599,449.70	586,157.70
7,400.00	0 00	0.00	7,400 00	4,070 00	0.00	0.00	0.00	0.00	599,449.70	586,157.70
7,460 00	0 00	0.00	7,460.00	4,130.00	0.00	0.00	0 00	0.00	599,449.70	586,157.70
Start Build 11.13										
7,500.00	4.45	89.47	7,499 96	4,169 96	0.01	1.55	1.55	11 13	599,449.71	586,159.25
7,550.00	10.01	89 47	7,549.54	4,219 54	0 07	7 84	7.84	11 13	599,449.77	586,165 54
7,600.00	15.58	89 47	7,598.28	4,268 28	0 17	18 91	18 91	11 13	599,449 87	586,176 61
7,650 00	21.14	89 47	7,645.72	4,315 72	0 32	34.65	34 65	11.13	599,450.02	586,192 35



Pathfinder X & Y Planning Report



Company:

EOG Resources, Inc

Project: Eddy County Site:

Parkway 23 State Com

Well: Wellbore: ОН Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference: Survey Calculation Method:

Database:

Well #3H

WELL @ 3330 00ft (19' KB Correction) WELL @ 3330.00ft (19' KB Correction)

Planned Survey										
MD	Inc	Azi	TVD	TVDSS	N/S	E/W	V. Sec	DLeg	Northing	Easting
(ft)	(°);	(°)	(ft)	(ft)	(ft)	(ft)	SANDONARED DAY CONTRACTOR CONTRACTOR	(°/100ft)	(ft)	(ft)
7,700 00	26 70	89 47	7,691.41	4,361.41	0.51	54 92	54.92	11 13	599,450 21	586,212 62
7,750.00	32.26	89 47	7,734.92	4,404.92	0.74	79.51	79.52	11 13	599,450.44	586,237.21
7,800 00	37.83	89.47	7,775.83	4,445.83	1 00	108.21	108 22	11.13	599,450.70	586,265.91
7,850.00	43 39	89 47	7,813 78	4,483.78	1.30	140 74	140.75	11.13	599,451 00	586,298 44
7,900 00	48 95	89 47	7,848 39	4,518.39	1.64	176.79	176 80	11 13	599,451 34	586,334.49
7,950.00	54 51	89 47	7,879 34	4,549.34	2.00	216.03	216.04	11 13	599,451 70	586,373.73
8,000 00	60 08	89.47	7,906 35	4,576.35	2 39	258 09	258.10	11.13	599,452 09	586,415 79
8,040 15	64.54	89.47	7,925.00	4,595.00	2 72	293.63	293.64	11.13	599,452.42	586,451.33
Top of F Sand - 8	8040.15'MD,64.5	54°INC,89.47°AZI,	7925.00'TVD				•			
8,050 00	65 64	89.47	7,929.15	4,599 15	2.80	302 56	302.58	11.13	599,452 50	586,460.26
8,100.00	71.20	89 47	7,947.53	4,617.53	3.23	349.04	349.05	11 13	599,452 93	586,506.74
8,150.00	76.77	89 47	7,961.32	4,631.32	3.67	397.08	397.09	11.13	599,453 37	586,554.78
8,200 00	82.33	89.47	7,970 39	4,640.39	4 13	446.23	446 25	11 13	599,453.83	586,603 93
8,250.00	87.89	89 47	7,974.65	4,644 65	4.59	496 02	496.04	11.13	599,454.29	586,653 72
8,268.96	90.00	89 47	7,975.00	4,645 00	4.76	514 98	515 00	11.13	599,454.46	586,672.68
Start DLS 0.01 T						•				
8,300 00	90 00	89.47	7,975 00	4,645 00	5 05	546 02	546.04	0 01	599,454.75	586,703.72
8,400.00	90 00	89.46	7,975.00	4,645.00	5.99	646 01	646.04	0 01	599,455.69	586,803 71
8,458 23	90.00	89.46	7,975.00	4,645.00	6.53	704.24	704.27	0 01	599,456.23	586,861.94
Start 4194.45 ho										
8,500.00	90.00	89.46	7,975.00	4,645.00	6 93	746 01	746 04	0.00	599,456.63	586,903 71
8,600.00	90.00	89.46	7,975.00	4,645 00	7 87	846.00	846.04	0 00	599,457.57	587,003 70
8,700 00	90.00	89 46	7,975 00	4,645.00	8.82	946 00	946 04	0.00	599,458 52	587,103 70
8,800.00	90.00	89.46	7,975.00	4,645 00	9.77	1,045 99	1,046.04	0.00	599,459 47	587,203.69
8,900 00	90.00	89.46	7,975.00	4,645.00	10.71	1,145.99	1,146 04	0 00	599,460.41	587,303.69
9,000 00	90.00	89.46	7,975 00	4,645.00	11.66	1,245.99	1,246.04	0.00	599,461 36	587,403 69
9,100.00	90.00	89 46	7,975 00	4,645.00	12 60	1,345.98	1,346.04	0.00	599,462 30	587,503.68
9,200 00	90.00	89 46	7,975 00	4,645.00	13 55	1,445 98	1,446.04	0 00	599,463 25	587,603.68



Pathfinder X & Y Planning Report



Company: Project:

EOG Resources, Inc.

Eddy County

Parkway 23 State Com

Site: Parkwa Well: #3H Wellbore: OH Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: MD Reference:

North Reference:

Survey Calculation Method: Database:

Well #3H

WELL @ 3330 00ft (19' KB Correction) WELL @ 3330.00ft (19' KB Correction)

Grid

* .	Idii	ııeu	. 30	II VE	1.3
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367	25.00	250	XXX	10 K. E.	18.0

MD (ft)	Inc (°)	Azi (°)	TVD	TVDSS (ft)	N/S	E/W	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (#)
9,300.00	90,00	89.46	(ft) 7,975.00	4,645 00	(ft) 14 49	(ft) 1,545.97	1,546.04	0.00	599,464.19	(ft) 587,703 67
9,400.00	90.00	89.46	7,975.00	4,645,00	15 44	1,645.97	1,646.04	0.00	599,465,14	587,803.67
9,500.00	90 00	89.46	7,975.00	4,645.00	16.39	1,745.96	1,746.04	0.00	599,466.09	587,903.66
9,600.00	90.00	89.46	7,975.00	4,645.00	17.33	1,845.96	1,846 04	0.00	599,467.03	588,003.66
9,700.00	90.00	89.46	7,975.00	4,645.00	18.28	1,945 95	1,946 04	0.00	599,467 98	588,103.65
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9,800.00	90.00	89 46	7,975.00	4,645 00	19.22	2,045.95	2,046 04	0 00	599,468.92	588,203 65
9,900.00	90.00	89.46	7,975.00	4,645 00	20 17	2,145.95	2,146.04	0 00	599,469 87	588,303 65
10,000 00	90 00	89.46	7,975.00	4,645.00	21.11	2,245 94	2,246.04	0.00	599,470 81	588,403.64
10,100 00	90.00	89 46	7,975.00	4,645.00	22 06	2,345 94	2,346.04	0 00	599,471 76	588,503 64
10,200.00	90.00	89.46	7,975 00	4,645 00	23.01	2,445 93	2,446 04	0.00	599,472.71	588,603 63
10,300.00	90.00	89 46	7,975 00	4,645 00	23.95	2,545 93	2,546 04	0.00	599,473 65	588,703.63
10,400 00	90.00	89 46	7,975.00	4,645.00	24.90	2,645.92	2,646.04	0 00	599,474.60	588,803.62
10,500.00	90.00	89.46	7,975.00	4,645 00	25.84	2,745.92	2,746.04	0 00	599,475.54	588,903.62
10,600.00	90 00	89.46	7,975.00	4,645 00	26 79	2,845.91	2,846.04	0.00	599,476 49	589,003 61
10,700.00	90 00	89.46	7,975.00	4,645 00	27.73	2,945 91	2,946 04	0.00	599,477.43	589,103.61
10,800.00	90.00	89 46	7,975.00	4,645.00	28 68	3,045.90	3,046.04	0 00	599,478 38	589,203.60
10,900.00	90 00	89 46	7,975.00	4,645.00	29.63	3,145.90	3,146.04	0 00	599,479 33	589,303.60
11,000.00	90.00	89 46	7,975 00	4,645 00	30.57	3,245.90	3,246.04	0.00	599,480 27	589,403.60
11,100.00	90.00	89 46	7,975 00	4,645.00	31 52	3,345.89	3,346.04	0.00	599,481.22	589,503.59
11,200.00	90.00	89.46	7,975.00	4,645 00	32.46	3,445.89	3,446 04	0.00	599,482.16	589,603 59
11,300.00	90.00	89.46	7,975 00	4,645.00	33 41	3,545 88	3,546.04	0 00	599,483.11	589,703.58
11,400 00	90.00	89 46	7,975 00	4,645.00	34.35	3,645.88	3,646.04	0.00	599,484.05	589,803.58
11,500 00	90.00	89.46	7,975.00	4,645 00	35 30	3,745.87	3,746.04	0.00	599,485.00	589,903.57
11,600.00	90.00	89 46	7,975.00	4,645 00	36.25	3,845 87	3,846.04	0 00	599,485.95	590,003 57
11,700.00	90.00	89.46	7,975.00	4,645.00	37 19	3,945 86	3,946.04	0 00	599,486 89	590,103.56
11,800.00	90.00	89 46	7,975 00	4,645.00	38.14	4,045 86	4,046.04	0.00	599,487 84	590,203.56
11,900 00	90 00	89.46	7,975.00	4,645 00	39 08	4,145.86	4,146.04	0 00	599,488.78	590,303 56

Seogresources

Pathfinder Energy Services

Pathfinder X & Y Planning Report



Company:

EOG Resources, Inc.

Project:

Eddy County

Site:

Parkway 23 State Com

Well: #3H Wellbore: OH Design: Plan #1 Local Co-ordinate Reference:

TVD Reference: "MD Reference:

North Reference: Survey Calculation Method: Database: Well #3H

WELL @ 3330.00ft (19' KB Correction)
WELL @ 3330.00ft (19' KB Correction)

Grid

Minimum Curvature Midland Database

		J S		

	Pro var Parket a la company de	ic	Azi	TVD	TVDSS	N/S	E/W	V. Sec	·····································	Northing	Easting
	(ft) ('	')	(°)	(ft)	(ft)	(ft)	(ft)	(ft) ,	(°/100ft)	(ft)	(ft)
-	12,000.00	90 00	89 46	7,975 00	4,645 00	40.03	4,245.85	4,246.04	0 00	599,489 73	590,403 55
	12,100.00	90.00	89.46	7,975.00	4,645.00	40.97	4,345.85	4,346 04	0 00	599,490 67	590,503 55
	12,200 00	90 00	89 46	7,975 00	4,645.00	41.92	4,445.84	4,446.04	0 00	599,491.62	590,603.54
	12,300.00	90.00	89.46	7,975.00	4,645.00	42.86	4,545.84	4,546 04	0 00	599,492 56	590,703.54
	12,400.00	90.00	89.46	7,975.00	4,645.00	43.81	4,645.83	4,646 04	0.00	599,493 51	590,803 53
	12,500 00	90.00	89.46	7,975.00	4,645.00	44 76	4,745.83	4,746.04	0 00	599,494.46	590,903 53
	12,600.00	90.00	89.46	7,975 00	4,645 00	45.70	4,845.82	4,846.04	0.00	599,495 40	591,003.52
-	12,652.68	90.00	89 46	7,975.00	4,645.00	46.20	4,898.50	4,898 72	0.00	599,495.90	591,056.20
	TD at 12652.68										

Targets

Target Name - hit/miss target Dip.An - Shape (°)	Construction of the state of th	Dir: (°)	TVD +N (ft) (f	OCONOCIONA PROPERTO CONTRA	+E/-W N (ft)	lorthing E (ft)	asting (ft)	Latitude	Longitude	No. of Particular Control
PBHL(P23S#3H)	0.00	0.00	7,975.00	46.20	4,898.50	599,495 900	591,056.200	32° 38′ 51.963 N	104° 2' 15 002 W	

PBHL(P23S#3H)
- plan hits target

- Point

Plan Annotations

12,652 68	7,975 00	46.20	4,898 50	TD at 12652 68
8,458.23	7,975.00	6 53	704 24	Start 4194.45 hold at 8458 23 MD
8,268 96	7,975.00	4.76	514.98	Start DLS 0 01 TFO -90.00
8,040.15	7,925 00	2 72	293.63	Top of F Sand - 8040.15'MD,64.54°INC,89 47°AZI,7925 00'TVD
7,460.00	7,460 00	0 00	0.00	Start Build 11.13
Measured Depth (ft)	Vertical Depth (ft)	Local Coordina +N/-S (ft)	ates +E/-W (ft)	Comment

Checked By:

Approved By:

Date:

EOG Resources, Inc.

Legals:

Parkway 23 State COM 3H

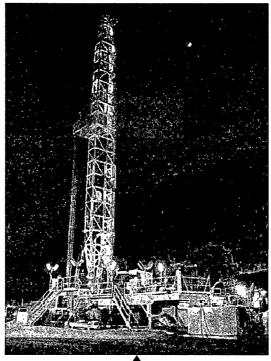
Eddy Co. New Mexico

2050' FNL & 50' FWL Surface Location Section 23

T-19-S, R-29-E Lat: N 32.6476772 Long: W 104.0534155 1980' FNL & 330' FEL Bottom of Hole Location

Section 23 T-19-S, R-29-E Lat: N 32.6477675 Long: W 104.0375007

H₂S "Contingency Plan"





Safety Solutions, LLC 3222 Commercial Dr.

(432) 686-8555 Midland, TX 79701

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H₂S CONTINGENCY PLAN SECTION

Scope:

This contingency plan provides an organized plan of action for alerting and protecting the public within an area of exposure prior to an intentional release, or following the accidental release of a potentially hazardous volume of hydrogen sulfide. The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

Objective:

Prevent any and all accidents, and prevent the uncontrolled release of H₂S into the atmosphere.

Provide proper evacuation procedures to cope with emergencies.

Provide immediate and adequate medical attention should an injury occur.

Discussion of Plan:

Suspected Problem Zones:

Implementation: This plan, with all details, is to be fully implemented 1000' before drilling into the first sour zone.

Emergency Response Procedure: This section outlines the conditions and denotes steps to be taken in the event of an emergency.

Emergency Equipment and Procedure: This section outlines the safety and emergency equipment that will be required for the drilling of this well.

Training Provisions: This section outlines the training provisions that must be adhered to 1000' before drilling into the first sour zone.

Emergency call list: Included are the telephone numbers of all persons that would need to be contacted, should an H₂S emergency occur.

Briefing: This section deals with the briefing of all persons involved with the drilling of this well.

Public Safety: Public Safety Personnel will be made aware of the drilling of this well.

Check Lists: Status check lists and procedural check lists have been included to ensure adherence to the plan.

General Information: A general information section has been included to supply support information.

EMERGENCY PROCEDURES SECTION

- 1. In the event of any evidence of H₂S level above 10ppm, take the following steps immediately:
 - a. Secure breathing apparatus.
 - b. Order non-essential personnel out of the danger zone.
 - c. Take steps to determine if the H₂S level can be corrected or suppressed, and if so, proceed with normal operations.
- II. If uncontrollable conditions occur, proceed with the following:
 - a. Take steps to protect and/or remove any public downwind of the rig, including partial evacuation or isolation. Notify necessary public safety personnel and the New Mexico Oil Conservation Division of the situation.
 - b. Remove all personnel to the Safe Briefing Area.
 - Notify public safety personnel for help with maintaining roadblocks and implementing evacuation.
 - d. Determine and proceed with the best possible plan to regain control of the well. Maintain tight security and safety measures.

III. Responsibility:

- a. The Company Approved Supervisor shall be responsible for the total implementation of the plan.
- b. The Company Approved Supervisor shall be in complete command during any emergency.
- c. The Company Approved Supervisor shall designate a back up Supervisor in the event that he/she is not available.

EMERGENCY PROCEDURE IMPLEMENTATION

I. Drilling or Tripping

a. All Personnel

- i. When alarm sounds, don escape unit and report to upwind Safe Briefing Area.
- ii. Check status of other personnel (buddy system).
- iii. Secure breathing apparatus.
- iv. Wait for orders from supervisor.

b. Drilling Foreman

- i. Report to the upwind Safe Briefing Area.
- ii. Don Breathing Apparatus and return to the point of release with the Tool Pusher or Driller (buddy system).
- iii. Determine the concentration of H₂S.
- iv. Assess the situation and take appropriate control measures.

c. Tool Pusher

- i. Report to the upwind Safe Briefing Area.
- ii. Don Breathing Apparatus and return to the point of release with the Drilling Foreman or the Driller (buddy system).
- iii. Determine the concentration of H₂S.
- iv. Assess the situation and take appropriate control measures.

d. Driller

- i. Check the status of other personnel (in a rescue attempt, always use the buddy system).
- ii. Assign the least essential person to notify the Drilling Foreman and Tool Pusher, in the event of their absence.
- iii. Assume the responsibility of the Drilling Foreman and the Tool Pusher until they arrive, in the event of their absence.

e. Derrick Man and Floor Hands

i. Remain in the upwind Safe Briefing Area until otherwise instructed by a supervisor.

f. Mud Engineer

- i. Report to the upwind Safe Briefing Area.
- ii. When instructed, begin check of mud for pH level and H₂S level.

g. Safety Personnel

- i. Don Breathing Apparatus.
- ii. Check status of personnel.
- iii. Wait for instructions from Drilling Foreman or Tool Pusher.

II. Taking a Kick

- a. All Personnel report to the upwind Safe Briefing Area.
- b. Follow standard BOP procedures.

III. Open Hole Logging

- a. All unnecessary personnel should leave the rig floor.
- **b.** Drilling Foreman and Safety Personnel should monitor the conditions and make necessary safety equipment recommendations.

IV. Running Casing or Plugging

- a. Follow "Drilling or Tripping" procedures.
- b. Assure that all personnel have access to protective equipment.

SIMULATED BLOWOUT CONTROL DRILLS

All drills will be initiated by activating alarm devices (air horn). One long blast, on the air horn, for ACTUAL and SIMULATED Blowout Control Drills. This operation will be performed by the Drilling Foreman or Tool Pusher at least one time per week for each of the following conditions, with each crew:

Drill #1 Bottom Drilling

Drill #2 Tripping Drill Pipe

In each of these drills, the initial reaction time to shutting in the well shall be timed as well as the total time for the crew to complete its entire pit drill assignment. The times must be recorded on the IADC Driller's Log as "Blowout Control Drill".

Drill No.:

Reaction Time to Shut-In: minutes, seconds.

Total Time to Complete Assignment: minutes, seconds.

I. Drill Overviews

- a. Drill No. 1 Bottom Drilling
 - i. Sound the alarm immediately.
 - ii. Stop the rotary and hoist Kelly joint above the rotary table.
 - iii. Stop the circulatory pump.
 - iv. Close the drill pipe rams.
 - v. Record casing and drill pipe shut-in pressures and pit volume increases.
- b. Drill No. 2 Tripping Drill Pipe
 - i. Sound the alarm immediately.
 - ii. Position the upper tool joint just above the rotary table and set the slips.
 - iii. Install a full opening valve or inside blowout preventer tool in order to close the drill pipe.
 - iv. Close the drill pipe rams.
 - v. Record the shut-in annular pressure.

II. Crew Assignments

a. Drill No. 1 - Bottom Drilling

i. Driller

- 1. Stop the rotary and hoist Kelly joint above the rotary table.
- 2. Stop the circulatory pump.
- 3. Check Flow.
- 4. If flowing, sound the alarm immediately
- 5. Record the shit-in drill pipe pressure
- 6. Determine the mud weight increase needed or other courses of action.

ii. Derrickman

- 1. Open choke line valve at BOP.
- 2. Signal Floor Man #1 at accumulator that choke line is open.
- 3. Close choke and upstream valve after pipe tam have been closed.
- 4. Read the shut-in annular pressure and report readings to Driller.

iii. Floor Man #1

- 1. Close the pipe rams after receiving the signal from the Derrickman.
- 2. Report to Driller for further instructions.

iv. Floor Man #2

- 1. Notify the Tool Pusher and Operator representative of the H₂S alarms.
- 2. Check for open fires and, if safe to do so, extinguish them.
- 3. Stop all welding operations.
- 4. Turn-off all non-explosions proof lights and instruments.
- 5. Report to Driller for further instructions.

v. Tool Pusher

- 1. Report to the rig floor.
- 2. Have a meeting with all crews.

- 3. Compile and summarize all information.
- 4. Calculate the proper kill weight.
- 5. Ensure that proper well procedures are put into action.

vi. Operator Representative

- 1. Notify the Drilling Superintendent.
- 2. Determine if an emergency exists and if so, activate the contingency plan.

b. Drill No. 2 - Tripping Pipe

i. Driller

- 1. Sound the alarm immediately when mud volume increase has been detected.
- 2. Position the upper tool joint just above the rotary table and set slips.
- 3. Install a full opening valve or inside blowout preventer tool to close the drill pipe.
- 4. Check flow.
- 5. Record all data reported by the crew.
- 6. Determine the course of action.

ii. Derrickman

- 1. Come down out of derrick.
- 2. Notify Tool Pusher and Operator Representative.
- 3. Check for open fires and, if safe to do so, extinguish them.
- 4. Stop all welding operations.
- 5. Report to Driller for further instructions.

iii. Floor Man #1

- 1. Pick up full opening valve or inside blowout preventer tool and stab into tool joint above rotary table (with Floor Man #2).
- 2. Tighten valve with back-up tongs.

- 3. Close pipe rams after signal from Floor Man #2.
- 4. Read accumulator pressure and check for possible high pressure fluid leaks in valves or piping.
- 5. Report to Driller for further instructions.

iv. Floor Man #2

- 1. Pick-up full opening valve or inside blowout preventer tool and stab into tool joint above rotary table (with Floor Man #1).
- 2. Position back-up tongs on drill pipe.
- 3. Open choke line valve at BOP.
- 4. Signal Floor Man #1 at accumulator that choke line is open.
- 5. Close choke and upstream valve after pipe rams have been closed.
- 6. Check for leaks on BOP stack and choke manifold.
- 7. Read annular pressure.
- 8. Report readings to the Driller.

v. Tool Pusher

- 1. Report to the rig floor.
- 2. Have a meeting with all of the crews.
- 3. Compile and summarize all information.
- 4. See that proper well kill procedures are put into action.

vi. Operator Representative

- 1. Notify Drilling Superintendent
- 2. Determine if an emergency exists, and if so, activate the contingency plan.

IGNITION PROCEDURES

Responsibility:

The decision to ignite the well is the responsibility of the DRILLING FOREMAN in concurrence with the STATE POLICE. In the event the Drilling Foreman is incapacitated, it becomes the responsibility of the RIG TOOL PUSHER. This decision should be made only as a last resort and in a situation where it is clear that:

- 1. Human life and property are endangered.
- 2. There is no hope of controlling the blowout under the prevailing conditions.

If time permits, notify the main office, but do not delay if human life is in danger. Initiate the first phase of the evacuation plan.

Instructions for Igniting the Well:

- 1. Two people are required for the actual igniting operation. Both men must wear self-contained breathing apparatus and must use a full body harness and attach a retrievable safety line to the D-Ring in the back. One man must monitor the atmosphere for explosive gases with the LEL monitor, while the Drilling Foreman is responsible for igniting the well.
- 2. The primary method to ignite is a 25mm flare gun with a range of approximately 500 feet.
- 3. Ignite from upwind and do not approach any closer than is warranted.
- 4. Select the ignition site best suited for protection and which offers an easy escape route.
- 5. Before igniting, check for the presence of combustible gases.
- 6. After igniting, continue emergency actions and procedures as before.
- 7. All unassigned personnel will limit their actions to those directed by the Drilling Foreman.

Note: After the well is ignited, burning Hydrogen Sulfide will convert to Sulfur Dioxide, which is also highly toxic. Do not assume the area is safe after the well is ignited.

TRAINING PROGRAM

When working in an area where Hydrogen Sulfide (H_2S) might be encountered, definite training requirements must be carried out. The Company Supervisor will ensure that all personnel, at the well site, have had adequate training in the following:

- 1. Hazards and characteristics of Hydrogen Sulfide.
- 2. Physicals effects of Hydrogen Sulfide on the human body.
- 3. Toxicity of Hydrogen Sulfide and Sulfur Dioxide.
- 4. H₂S detection, Emergency alarm and sensor location.
- 5. Emergency rescue.
- 6. Resuscitators.
- 7. First aid and artificial resuscitation.
- 8. The effects of Hydrogen Sulfide on metals.
- 9. Location safety.

Service company personnel and visiting personnel must be notified if the zone contains H₂S, and each service company must provide adequate training and equipment for their employees before they arrive at the well site.

EMERGENCY EQUIPMENT REQUIREMENTS

Lease Entrance Sign:

Should be located at the lease entrance with the following information:

CAUTION – POTENTIAL POISON GAS HYDROGEN SULFIDE NO ADMITTANCE WITHOUT AUTHORIZATION

Respiratory Equipment:

- Fresh air breathing equipment should be placed at the safe briefing areas and should include the following:
- Two SCBA's at each briefing area.
- Enough air line units to operate safely, anytime the H₂S concentration reaches the IDLH level (100 ppm).
- Cascade system with enough breathing air hose and manifolds to reach the rig floor, the derrickman and the other operation areas.

Windsocks or Wind Streamers:

- A minimum of two 10" windsocks located at strategic locations so that they may be seen from any point on location.
- Wind streamers (if preferred) should be placed at various locations on the well site to ensure wind consciousness at all times. (Corners of location).

Hydrogen Sulfide Detector and Alarms:

- 1 Four channel H₂S monitor with alarms.
- Four (4) sensors located as follows: #1 Rig Floor, #2 Bell Nipple, #3 Shale Shaker, #4 Mud Pits.
- Gastec or Draeger pump with tubes.
- Sensor test gas.

Well Condition Sign and Flags:

The Well Condition Sign w/flags should be placed a minimum of 150' before you enter the location. It should have three (3) color coded flags (green, yellow and red) that will be used to denote the following location conditions:

GREEN – Normal Operating Conditions YELLOW – Potential Danger RED – Danger, H₂S Gas Present

Auxiliary Rescue Equipment:

- Stretcher
- 2 100' Rescue lines.
- First Aid Kit properly stocked.

Mud Inspection Equipment:

Garret Gas Train or Hach Tester for inspection of Hydrogen Sulfide in the drilling mud system.

Fire Extinguishers:

Adequate fire extinguishers shall be located at strategic locations.

Blowout Preventer:

- The well shall have hydraulic BOP equipment for the anticipated BHP.
- The BOP should be tested upon installation.
- BOP, Choke Line and Kill Line will be tested as specified by Operator.

Confined Space Monitor:

There should be a portable multi-gas monitor with at least 3 sensors (O_2 , LEL H_2S). This instrument should be used to test the atmosphere of any confined space before entering. It should also be used for atmospheric testing for LEL gas before beginning any type of Hot Work. Proper calibration documentation will need to be provided.

Communication Equipment:

- Proper communication equipment such as cell phones or 2-way radios should be available at the rig.
- Radio communication shall be available for communication between the company man's trailer, rig floor and the tool pusher's trailer.

• Communication equipment shall be available on the vehicles.

Special Control Equipment:

- Hydraulic BOP equipment with remote control on the ground.
- Rotating head at the surface casing point.

Evacuation Plan:

- Evacuation routes should be established prior to spudding the well.
- Should be discussed with all rig personnel.

Designated Areas:

Parking and Visitor area:

- All vehicles are to be parked at a pre-determined safe distance from the wellhead.
- Designated smoking area.

Safe Briefing Areas:

- Two Safe Briefing Areas shall be designated on either side of the location at the maximum allowable distance from the well bore so they offset prevailing winds or they are at a 180 degree angle if wind directions tend to shift in the area.
- Personal protective equipment should be stored at both briefing areas or if a moveable cascade trailer is used, it should be kept upwind of existing winds. When wind is from the prevailing direction, both briefing areas should be accessible.

Note:

- Additional equipment will be available at the Safety Solutions, LLC office.
- Additional personal H₂S monitors are available for all employees on location.
- Automatic Flare Igniters are recommended for installation on the rig.

CHECK LISTS

Status Check List

Note: Date each item as they are implemented.

1.	Sign at location entrance.
2.	Two (2) wind socks (in required locations).
3.	Wind Streamers (if required).
4.	SCBA's on location for all rig personnel and mud loggers.
5.	Air packs, inspected and ready for use.
6.	Spare bottles for each air pack (if required).
7.	Cascade system for refilling air bottles.
8.	Cascade system and hose line hook up.
9.	Choke manifold hooked-up and tested. (before drilling out surface casing.)
10.	Remote Hydraulic BOP control (hooked-up and tested before drilling out surface casing).
11.	BOP tested (before drilling out surface casing).
12.	Mud engineer on location with equipment to test mud for H ₂ S.
13.	Safe Briefing Areas set-up
14.	Well Condition sign and flags on location and ready.
15.	Hydrogen Sulfide detection system hooked -up & tested.
16.	Hydrogen Sulfide alarm system hooked-up & tested.
17.	Stretcher on location at Safe Briefing Area.
18.	2 – 100' Life Lines on location.
19.	1 – 20# Fire Extinguisher in safety trailer.
20.	Confined Space Monitor on location and tested.
21.	All rig crews and supervisor trained (as required).

22. Access restricted for unauthorized personnel.	
23. Drills on H₂S and well control procedures.	
24. All outside service contractors advised of potential H₂S on the well.	
25. NO SMOKNG sign posted.	
26. H ₂ S Detector Pump w/tubes on location.	
27. 25mm Flare Gun on location w/flares.	
28. Automatic Flare Igniter installed on rig.	

Procedural Check List

Perform the following on each tour:

- 1. Check fire extinguishers to see that they have the proper charge.
- 2. Check breathing equipment to insure that they have not been tampered with.
- 3. Check pressure on the supply air bottles to make sure they are capable of recharging.
- 4. Make sure all of the Hydrogen Sulfide detection systems are operative.

Perform the following each week:

- 1. Check each piece of breathing equipment to make sure that they are fully charged and operational. This requires that the air cylinder be opened and the mask assembly be put on and tested to make sure that the regulators and masks are properly working. Negative and Positive pressure should be conducted on all masks.
- 2. BOP skills.
- 3. Check supply pressure on BOP accumulator stand-by source.
- 4. Check all breathing air mask assemblies to see that straps are loosened and turned back, ready for use.
- 5. Check pressure on cascade air cylinders to make sure they are fully charged and ready to use for refill purposes if necessary.
- 6. Check all cascade system regulators to make sure they work properly.
- 7. Perform breathing drills with on-site personnel.
- 8. Check the following supplies for availability:
 - Stretcher
 - Safety Belts and Ropes
 - Spare air Bottles
 - Spare Oxygen Bottles (if resuscitator required)
 - Gas Detector Pump and Tubes
 - Emergency telephone lists
- 9. Test the Confined Space Monitor to verify the batteries are good

BRIEFING PROCEDURES

The following scheduled briefings will be held to ensure the effective drilling and operation of this project:

Pre-Spud Meeting

Date: Prior to spudding the well.
Attendance: Drilling Supervisor

Drilling Engineer
Drilling Foreman
Rig Tool Pushers
Rig Drillers
Mud Engineer
All Safety Personnel

Key Service Company Personnel

Purpose: Review and discuss the well program, step-by-step, to insure complete understanding of

assignments and responsibilities.

EVACUATION PLAN

General Plan

The direct lines of action prepared by SAFETY SOLUTIONS, LLC to protect the public from hazardous gas situations are as follows:

- 1. When the company approved supervisor (Drilling Foreman, Tool Pusher or Driller) determine that Hydrogen Sulfide gas cannot be limited to the well location, and the public will be involved, he will activate the evacuation plan. Escape routes are noted on the area map.
- 2. Company safety personnel or designee will notify the appropriate local government agency that a hazardous condition exists and evacuation needs to be implemented.
- 3. Company approved safety personnel that have been trained in the use of the proper emergency equipment will be utilized.
- 4. Law enforcement personnel (State Police, Local Police Department, Fire Department, and the Sheriff's Department) will be called to aid in setting up and maintaining road blocks. Also, they will aid in evacuation of the public if necessary.

NOTE: Law enforcement personnel will not be asked to come into a contaminated area. Their assistance will be limited to uncontaminated areas. Constant radio contact will be maintained with them.

5. After the discharge of gas has been controlled, "Company" safety personnel will determine when the area is safe for re-entry.

See Emergency Action Plan

Emergency Assistance Telephone List

PUBLIC SAFETY:	911 o				
Eddy County Sheriff's Department	(575) 887-755	1			
Kent Waller					
Fire Department:					
Carlsbad	(575) 885-312	!5			
Artesia	(575) 746-505	0			
Hospitals:					
Carlsbad	(575) 887-412	1			
Artesia	(575) 748-333	3			
Hobbs	(575) 392-197	'9			
Dept. of Public Safety/Carlsbad	(575) 748-971	.8			
Highway Department	(575) 885-328	31			
New Mexico Oil Conservation	(575) 476-344	10			
U.S. Dept. of Labor	(575) 887-117	' 4			
·	•				
EOG Resources, Inc.					
EOG / Midland	Office (432) 686-360	_)()			
Company Drilling Consultants:	311102 (132) 000 000	. •			
Danny Kiser	Cell (281) 833-274	_ 19			
Dainly Rise.	(201) 000 1				
Drilling Engineer					
Steve Munsell	Office (432) 686-360	9			
	Cell (432) 894-125				
Operations Manager	(102, 101. 121				
Joel Pettit	Office (432) 686-370)5			
2001 1 21012	Cell (432)894-122				
Drilling Superintendent	(102,00 : 122	•			
Barney Thompson	Office (432) 686-367	<u>-</u> '8			
James, mempeen	Cell (432) 254-905				
Field Drilling Superintendent	(102, 201	_			
Ron Welch	Cell (432) 386-059)2			
	(122, 131 31	_			
McVay Drilling					
McVay Drilling / Hobbs	Office (575) 397-331	<u>.</u> 1			
McVay Drilling Rig #4	Rig (575) 370-559				
, 3 5	5 (*)				
Tool Pusher:					
Terry Johnson	Cell (575) 370-562	20			
•	, ,				
Safety Consultants					
Safety Solutions, LLC	Office (432) 686-855	55			
Cliff Strasner	Cell (432) 894-978				
Craig Strasner	Cell (432) 894-034				
	(102) 201	-			

MAPS AND PLATS (Maps & Plats Attached)

Affected Notification List

(within a 65' radius of exposure @100ppm)

The geologic zones that will be encountered during drilling are known to contain hazardous quantities of H_2S . The accompanying map illustrates the affected areas of the community. The residents within this radius will be notified via a hand delivered written notice describing the activities, potential hazards, conditions of evacuation, evacuation drill siren alarms and other precautionary measures.

Evacuee Description:

Residents: THERE ARE NO RESIDENTS WITHIN 3000' ROE.

Notification Process:

A continuous siren audible to all residence will be activated, signaling evacuation of previously notified and informed residents.

Evacuation Plan:

All evacuees will migrate lateral to the wind direction.

The Oil Company will identify all home bound or highly susceptible individuals and make special evacuation preparations, interfacing with the local and emergency medical service as necessary.

GENERAL INFORMATION

Toxic Effects of H₂S Poisoning

Hydrogen Sulfide is extremely toxic. The acceptable ceiling concentration for eight-hour exposure is 10 PPM, which is .001% by volume. Hydrogen Sulfide is heavier than air (specific gravity - 1.192) and is colorless and transparent. Hydrogen Sulfide is almost as toxic as Hydrogen Cyanide and is 5-6 times more toxic than Carbon Monoxide. Occupational exposure limits for Hydrogen Sulfide and other gases are compared below in Table 1. Toxicity table for H_2S and physical effects are shown in Table 2.

Table 1
Permissible Exposure Limits of Various Gases

Common Name	Symbol	Sp. Gravity	TLV	STEL	IDLH
Hydrogen Cyanide	HCN	.94	4.7 ppm	С	
Hydrogen Sulfide	H ₂ S	1.192	10 ppm	15 ppm	100 ppm
Sulfide Dioxide	SO ₂	2.21	2 ppm	5 ppm	
Chlorine	CL	2.45	.5 ppm	1 ppm	
Carbon Monoxide	со	.97	25 ppm	200 ppm	
Carbon Dioxide	CO ₂	1.52	5000 ppm	30,000 ppm	
Methane	CH ₄	.55	4.7% LEL	14% UEL	

Definitions

- A. TLV Threshold Limit Value is the concentration employees may be exposed based on a TWA (time weighted average) for eight (8) hours in one day for 40 hours in one (1) week. This is set by ACGIH (American Conference of Governmental Hygienists) and regulated by OSHA.
- B. STEL Short Term Exposure Limit is the 15 minute average concentration an employee may be exposed to providing that the highest exposure never exceeds the OEL (Occupational Exposure Limit). The OEL for H₂S is 19 PPM.
- C. IDLH Immediately Dangerous to Life and Health is the concentration that has been determined by the ACGIH to cause serious health problems or death if exposed to this level. The IDLH for H_2S is 100 PPM.
- D. TWA Time Weighted Average is the average concentration of any chemical or gas for an eight (8) hour period. This is the concentration that any employee may be exposed based on an TWA.

TABLE 2

		Toxicity Table of H₂S
Percent %	PPM	Physical Effects
.0001	1	Can smell less than 1 ppm.
.001	10	TLV for 8 hours of exposure.
.0015	15	STEL for 15 minutes of exposure.
.01	100	Immediately Dangerous to Life & Health.
		Kills sense of smell in 3 to 5 minutes.
.02	200	Kills sense of smell quickly, may burn eyes and throat.
.05	500	Dizziness, cessation of breathing begins in a few minutes.
.07	700	Unconscious quickly, death will result if not rescued promptly.
.10	1000	Death will result unless rescued promptly. Artificial resuscitation
		may be necessary.

PHYSICAL PROPERTIES OF H2S

The properties of all gases are usually described in the context of seven major categories:

COLOR

ODOR

VAPOR DENSITY

EXPLOSIVE LIMITS

FLAMMABILITY

SOLUBILITY (IN WATER)

BOILING POINT

Hydrogen Sulfide is no exception. Information from these categories should be considered in order to provide a fairly complete picture of the properties of the gas.

COLOR – TRANSPARENT

Hydrogen Sulfide is colorless so it is invisible. This fact simply means that you can't rely on your eyes to detect its presence. In fact that makes this gas extremely dangerous to be around.

ODOR - ROTTEN EGGS

Hydrogen Sulfide has a distinctive offensive smell, similar to "rotten eggs". For this reason it earned its common name "sour gas". However, H₂S, even in low concentrations, is so toxic that it attacks and quickly impairs a victim's sense of smell, so it could be fatal to rely on your nose as a detection device.

VAPOR DENSITY - SPECIFIC GRAVITY OF 1.192

Hydrogen Sulfide is heavier than air so it tends to settle in low-lying areas like pits, cellars or tanks. If you find yourself in a location where H_2S is known to exist, protect yourself. Whenever possible, work in an area upwind and keep to higher ground.

EXPLOSIVE LIMITS – 4.3% TO 46%

Mixed with the right proportion of air or oxygen, H₂S will ignite and burn or explode, producing another alarming element of danger besides poisoning.

FLAMMABILITY

Hydrogen Sulfide will burn readily with a distinctive clear blue flame, producing Sulfur Dioxide (SO₂), another hazardous gas that irritates the eyes and lungs.

SOLUBILITY - 4 TO 1 RATIO WITH WATER

Hydrogen Sulfide can be dissolved in liquids, which means that it can be present in any container or vessel used to carry or hold well fluids including oil, water, emulsion and sludge. The solubility of H_2S is dependent on temperature and pressure, but if conditions are right, simply agitating a fluid containing H_2S may release the gas into the air.

BOILING POINT – (-76 degrees Fahrenheit)

Liquefied Hydrogen Sulfide boils at a very low temperature, so it is usually found as a gas.

RESPIRATOR USE

The Occupational Safety and Health Administration (OSHA) regulate the use of respiratory protection to protect the health of employees. OSHA's requirements are written in the Code of Federal Regulations, Title 29, Part 1910, Section 134, Respiratory Protection. This regulation requires that all employees who might be required to wear respirators, shall complete a OSHA mandated medical evaluation questionnaire. The employee then should be fit tested prior to wearing any respirator while being exposed to hazardous gases.

Written procedures shall be prepared covering safe use of respirators in dangerous atmospheric situations, which might be encountered in normal operations or in emergencies. Personnel shall be familiar with these procedures and the available respirators.

Respirators shall be inspected prior to and after each use to make sure that the respirator has been properly cleaned, disinfected and that the respirator works properly. The unit should be fully charged prior to being used.

Anyone who may use respirators shall be properly trained in how to properly seal the face piece. They shall wear respirators in normal air and then in a test atmosphere. (Note: Such items as facial hair (beard or sideburns) and eyeglass temple pieces will not allow a proper seal.) Anyone that may be expected to wear respirators should have these items removed before entering a toxic atmosphere. A special mask must be obtained for anyone who must wear eyeglasses. Contact lenses should not be allowed.

Respirators shall be worn during the following conditions:

- A. Any employee who works near the top or on the top of any tank unless tests reveal less than 20 ppm of H_2S .
- B. When breaking out any line where H₂S can reasonably be expected.
- C. When sampling air in areas where H₂S may be present.
- D. When working in areas where the concentration of H₂S exceeds the Threshold Limit Value for H₂S (10 ppm).
- E. At any time where there is a doubt as to the H₂S level in the area to be entered.

EMERGENCY RESCUE PROCEDURES

DO NOT PANIC!!!

Remain Calm - Think

- 1. Before attempting any rescue you must first get out of the hazardous area yourself. Go to a safe briefing area.
- 2. Sound alarm and activate the 911 system.
- 3. Put on breathing apparatus. At least two persons should do this, when available use the buddy system.
- 4. Rescue the victim and return them to a safe briefing area.
- 5. Perform an initial assessment and begin proper First Aid/CPR procedures.
- 6. Keep victim lying down with a blanket or coat, etc.., under the shoulders to keep airway open. Conserve body heat and do not leave unattended.
- 7. If the eyes are affected by H₂S, wash them thoroughly with potable water. For slight irritation, cold compresses are helpful.
- 8. In case a person has only minor exposure and does not lose consciousness totally, it's best if he doesn't return to work until the following day.
- 9. Any personnel overcome by H₂S should always be examined by medical personnel. They should always be transported to a hospital or doctor.