Hydrogen Sulfide Drilling Operations Plans Nearburg Producing Company Huber Federal #4H

1. HYDROGEN SULFIDE TRAINING

- A. All regularly assigned personnel, contracted or employed by Nearburg Producing Company will receive training from a qualified instructor in the following areas prior to commencing drilling potential hydrogen sulfide bearing formations in this well:
 - 1. The hazards and characteristics of hydrogen sulfide (H2S).
 - 2. The proper use and maintenance of personal protective equipment and life support systems.
 - 3. The proper use of H2S detectors, alarms, warning systems, briefing areas, evacuation procedures and prevailing winds.
 - 4. The proper techniques for first aid and rescue procedures.
- B. In addition, supervisory personnel will be trained in the following areas:
 - 1. The effects of H2S 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 H2S Drilling Operations Plan.
- C. Initial training session prior to encountering a known or probable H2S zone (within 3 days or 500') and weekly H2S and well control drills for all personnel on each crew. The initial training session shall include a review of the site specific H2S Drilling Operations 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. 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' above, or three days prior to penetrating the first zone containing or reasonably expected to contain H2S.

- A. Well Control Equipment
 - 1. Flare line with continuous pilot.
 - 2. Choke manifold with a minimum of one remote choke.
 - 3. Blind rams and pipe rams to accommodate all sizes with properly sized closing unit.
 - 4. Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head and flare gun, and flares as needed.
- B. Protective Equipment for Essential Personnel:
 - 1. Mark II Surviveair 30 minute units located in the dog house and at briefing areas, as indicated on well site diagram.

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- C. H2S Detection and Monitoring Equipment
 - 1. Two portable H2S monitors positioned and located for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
 - 2. One portable SO2 monitor positioned near flare line.
- D. Visual Warning Systems
 - 1. Wind direction indicators as shown on well site diagram.
 - 2. Caution/Danger signs shall be posted on roads providing direct access to location. Signs will be painted yellow for high visibility, and black lettering of sufficient size to be legible from a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

Nearburg Producing Company H2S Contingency Plan Emergency Contacts (Name & Phone Numbers must be verified)

NPC OFFICE EMERGENCY PHONE NUMBER		432-686-8235 432-686-8235 X500
NPC Contact Personnel Wes Stinson, Drilling Matt Lee, Drilling Manager Roger King, Production Foreman		575-365-6500 575-365-6662 575-361-3605
Artesia Ambulance NM State Police City Police Sheriff's Office Fire Department Local Emergency Planning Committee NMOCD		911 575-746-2703 575-746-2703 575-746-9888 575-746-2701 575-746-2122 575-748-1283
Carlsbad Ambulance NM State Police City Police Sheriff's Office Fire Department Local Emergency Planning Committee BLM		911 575-885-3137 575-885-2111 575-887-7551 575-887-3798 575-887-6544 575-887-6544
NM Emergency Response Commission (Santa Fe) 24 Hour NM State Emergency Operations Center National Emergency Response Center (Washington	n DC)	505-476-9600 505-827-9126 505-476-9635 800-424-8802
Other Boots & Coots IWD Cudd Pressure Control Halliburton BJ Services Flight for Life – 4000 24 th St, Lubbock Tx Aerocare – R3, Box 49F, Lubbock, Tx Med Flight Air Ambulance-2301 Yale blvd SE #d, Al SB Aid Med Serv – 2505 Clark Carr Loop SE, Albuq,	432-699-0139 buq, NM	3 or 281-934-8884 9 or 432-563-3356 575-746-2757 575-746-3569 806-746-9911 806-747-8923 505-842-4433

Nearburg Producing Company H2S Contingency Plan

Assumed 100 ppm ROE = 3000' 100 ppm H2S concentration shall trigger activation of this plan

Emergency Procedures

In the event of a release of gas containing H2S, the first responder(s) must:

Isolate the area and prevent entry by other persons into the 1000 ppm ROE.

Evacuate any public places encompassed by the 100 ppm BOE.

Be equipped with H2S monitors and air packs in order to control the release.

Use the "buddy system" to ensure no injuries occur during the response.

Take precautions to avoid personal injury during this operation.

Contact operator and/or local officials to aid in operation. See list of phone numbers attached

Have received training in the following:

Detection of H2S and

Measures for protection against the gas

Equipment used for protection and emergency response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO2). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may be involved. NM State Police shall be the Incident Command on the scene of any major release. Take care to protect downwind whenever there is an ignition of the gas.

Characteristics of H2S and S02

Common	Chemical	Specific	Threshold	Hazardous	Lethal
Name	Formula	Gravity	Limit	Limit	Concentration
Hydrogen Sulfide	H2S	1.189 Air=1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	S02	2.21 Air =1	2 ppm	n/a	1000 ppm

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Contacting Authorities

Nearburg Producing Company's personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NMOCD must be notified of the release as soon as possible and no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, locate of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Nearburg Producing Company's response must be in coordination with the State of NM's "Hazardous Materials Emergency Response Plan" (HMER).