Page 3 H2S DRILLING OPERATIONS PACER 28 FEDERAL #1

6. Metallurgy:

- A. All drill strings, casings, tubing, wellhead, blowout preventers, 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. Communications in company vehicles are provided by cellular telephones.
- B. Land line (telephone) communications at Hobbs office.

8. Well testing:

A. Drill stem testing will be preformed 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.