

Hydrogen Sulfide Drilling Operations Plan

Gruy Petroleum Management Co
State of New Mexico 35 No. 3
Unit Letter I Section 35
T16S-R34E Eddy County New Mexico

- 1 All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:
 - A Characteristics of H2S
 - B Physical effects and hazards
 - C Proper use of safety equipment and life support systems.
 - D Principle and operation of H2S detectors, warning system and briefing
 - E Evacuation procedure, routes and first aid.
 - F Proper use of 30 minute pressure demand air pack.

- 2 H2S Detection and Alarm Systems
 - A H2S detectors and audio alarm system to be located at bell nipple, end of flow line (mud pit) and on derrick floor or doghouse.

- 3 Windsack and/or wind streamers
 - A Windsack at mudpit area should be high enough to be visible.
 - B Windsack at briefing area should be high enough to be visible.

- 4 Condition Flags and Signs
 - A Warning sign on access road to location
 - B Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location

- 5 Well control equipment
 - A See exhibit "E"

- 6 Communication
 - A While working under masks chalkboards will be used for communication.
 - B Hand signals will be used where chalk board is inappropriate.
 - C Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephones will be available at most drilling foreman's trailer or living quarters.

- 7 Drillstem Testing not anticipated

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- 8 Drilling contractor supervisor will be required to be familiar with the effects H₂S has on tubular goods and other mechanical equipment.

- 9 If H₂S is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas separator will be brought into service along with H₂S scavengers if necessary.

NAME:

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DATE:

5/20/2005

TITLE:

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