

DISCUSSION DRAFT, 3-12-02

RULE: 19.15.2.____ Hydrogen Sulfide Gas (Hydrogen Sulfide)

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19.15.2. Hydrogen Sulfide Gas (Hydrogen Sulfide)

A. In General. Hydrogen sulfide gas (known by its chemical abbreviation " H_2S " or as "sulfurated hydrogen" or "hydrosulfuric acid") is a flammable, poisonous gas that occurs naturally as a component of crude petroleum and natural gas. The gas has a distinct and characteristic odor of rotten eggs.

B. ~~Scope. Applicability.~~ This Section applies to any person, operator or facility subject to the jurisdiction of the Division, including, but not limited to, any person, operator or facility engaged in drilling, stimulating, completing, working over or producing any oil, natural gas or carbon dioxide well or any person, operator or facility engaged in gathering, transporting, storing, processing or refining of crude oil, natural gas or carbon dioxide.

C. Definitions (specific to this Section).

1. ANSI. "ANSI" means the American National Standards Institute.

2. API. "API" means the American Petroleum Institute. *ASTM - American Standards*

3. Dispersion Technique. A "dispersion technique" is a mathematical representation of the physical and chemical transportation characteristics, dilution characteristics and transformation characteristics of H_2S gas in the atmosphere. *Textile*

4. Escape Rate. The "escape rate" is the maximum volume (Q) that is used to designate the possible rate of escape of a gaseous mixture containing H_2S . The escape rate is calculated using the maximum daily rate of the gaseous mixture produced or the best estimate thereof. For a natural gas well, the escape rate shall be calculated by using the current daily absolute open flow rate against atmospheric pressure. For an oil well, the escape rate shall be calculated by multiplying the producing gas/oil ratio by the maximum daily production rate or best estimate thereof. For an oil or natural gas well drilled in an undeveloped area, a wildcat well, the escape rate may be determined by using offset wells completed in the interval in question, or using some other reasonable means to calculate the escape rate. For facilities or operations not mentioned, the escape rate shall be calculated using the actual flow of gaseous mixture through the facility or operation.

GPA 5. LEPC. The acronym "LEPC" means the local emergency planning committee established pursuant to the emergency planning and community right-to-know act, 42 U.S.C. § 11001.

6. NACE. The acronym "NACE" refers to the national association of corrosion engineers.

7. PPM. The abbreviation "ppm" means "parts per million."

8. Potentially Hazardous Volume (hereinafter referred to as a "potentially hazardous volume" or by the acronym "PHV") means the volume of hydrogen sulfide gas of such concentration that:

a. the 100 ppm radius of exposure includes any public area as defined herein, except for facilities directly involved in oil and gas production, such as producing oil and gas wells, pipelines, tank batteries, production equipment, gas plants, refineries;

b. the 300 ppm radius of exposure includes any public road; or

c. the 100 ppm radius of exposure is in excess of 3,000 feet.

9. Public Area. A "public area" is any dwelling; office; place of business; church; school; hospital; school bus stop; government building; or any portion of a park, city, town, village or other similar populated area.

10. Public Road. A "public road" is any state, municipal or county road or highway, postal route or other public road. A public road is not a private road or a road to which access to members of the general public is restricted.

11. Radius of Exposure. The radius of exposure (hereinafter referred to as "radius of exposure" or "ROE") is an imaginary circle constructed around a point of escape the radius of which is calculated using the following Pasquill-Gifford derived equation, or by such other method as may be approved by the division:

a. For determining the 100-ppm radius of exposure where the hydrogen sulfide concentration in the gaseous mixture is less than 10 percent:

$$X = [(1.589)(\text{hydrogen sulfide concentration})(Q)]^{(0.625)}, \text{ or}$$

Rule 117.118?

b. For determining the 300-ppm radius of exposure where the hydrogen sulfide concentration in the gaseous mixture is less than 10 percent: $X = [(0.77)(\text{hydrogen sulfide concentration})(Q)]^{(0.6258)}$

Where: X = radius of exposure in feet; hydrogen sulfide concentration = decimal equivalent of the mole or volume fractions of hydrogen sulfide in the gaseous mixture; Q = maximum volume of gas determined to be available for escape in cubic feet per day (corrected for standard conditions of 14.73 psia and 60°F).

c. For determining the 100 ppm or the 300 ppm radius of exposure in gaseous mixtures containing hydrogen sulfide concentrations of 10 percent or greater, a dispersion technique that takes into account representative wind speed, direction, atmospheric stability, complex terrain and other dispersion features shall be utilized. Such techniques may include, but shall not be limited to one of a series of computer models outlined in the environmental protection agency's "Guidelines on Air Quality Models (EPA-450/2-78-027R)."

d. Where multiple sources of hydrogen sulfide are present (e.g. wells, treatment equipment, flow lines, etc.), the radius of exposure may encompass a larger area than would otherwise be calculated using a radius of exposure computation for each component part.

e. For a well being drilled in an area where insufficient data exists to calculate a radius of exposure, but where hydrogen sulfide could reasonably be expected to be present in concentrations in excess of 100 ppm in the gaseous mixture, a 100 ppm radius of exposure equal to 3,000 feet shall be assumed.

D. Determination of Hydrogen Sulfide Risk.

1. Determination of Hydrogen Sulfide Concentration.

a. Each person, operator or facility to which this Section applies shall determine the hydrogen sulfide concentration within each of its operations or systems. A representative sample for each system or operation may be used for testing provided that the person, operator or facility can demonstrate that the concentration derived from a test of the representative sample is reasonably representative of the hydrogen sulfide concentration within the operation or system.

b. The person, operator or facility shall conduct tests ~~shall be conducted~~ in accordance with applicable ASTM and GPA standards or by other methods approved by the division.

2. Tested Concentrations Below 100 ppm. If the testing described in the previous Paragraph determines that the hydrogen sulfide concentration in a given operation or system is less than 100 ppm, no further actions are required pursuant to this Section.

3. Tested Concentrations Above 100 ppm; Calculation of the Radius of Exposure.

a. If the testing described in Paragraph 1 of this Subsection determines that the concentration of hydrogen sulfide in a gaseous mixture is 100 ppm or greater, then the person, operator or facility must calculate the radius of exposure pursuant to this Section.

b. If testing reveals that a potentially hazardous volume is present, the person, operator or facility shall provide the results of the radius of exposure determinations to the division within 180 days of commencing operations or, for existing facilities, within 180 days of the effective date of this Section. The division may disapprove the test methodology and require additional testing if the test methodology did not conform to the requirements of this Section.

4. Recalculation. If operational or production alterations are made that, by applying generally accepted engineering principles and operating practices, indicate that a 25% or greater increase in the hydrogen sulfide concentration may occur in a given operation or facility, new testing shall be conducted and the person, operator or facility shall recalculate the radius of exposure shall be recalculated and submit the results submitted to the division and retained.

E. H₂S Contingency Plan.

1. In General. The H₂S contingency plan is a written document that provides a plan of action that will be used to alert and protect persons at risk in the event of a potentially significant release of hydrogen sulfide gas.

2. When Required. An H₂S contingency plan must be prepared whenever a potentially hazardous volume of hydrogen sulfide is present.

may be

3. Input From Emergency Response Authorities and the Division. The person, operator or facility shall develop the H₂S contingency plan ~~shall be developed~~ with input from the division, the New Mexico department of public safety (and as appropriate the New Mexico state police) and the local emergency planning committee, except that where the 300 ppm radius of exposure encompasses any public road, input shall also be sought from the county sheriff and, as applicable, the city or municipal police, and where the 100 ppm radius of exposure encompasses a public area, input shall also be sought from police and fire departments near the well, operation or facility. The H₂S contingency plan shall identify the agency from which input was received pursuant to this paragraph, identify the person at the agency contacted (with telephone number) and briefly describe the nature of the input provided.

4. Elements. The H₂S contingency plan will consist of different elements depending on the risks present.

a. Elements Required for Each Plan:

i. A detailed description of each action to be taken in the event of a release of a potentially hazardous volume of hydrogen sulfide;

ii. A call list including the following as applicable:

- aa. local supervisor personnel;
- bb. county sheriff;
- cc. the department of public safety and state police;
- dd. city or municipal police;
- ee. the appropriate division district office; and
- ff. other public agencies as appropriate.

iii. A plat or map detailing the area within the radius of exposure of a potentially hazardous volume; and

iv. A list of the names and telephone numbers of all personnel to be contacted when a release is reported or suspected.

b. Where the 300 ppm radius of exposure encompasses any public road, the person, operator or facility shall include the following additional elements ~~shall be included~~ in the H₂S contingency plan:

i. Instructions and procedures for alerting and coordinating with emergency response authorities in the event of a release of a potentially hazardous volume of hydrogen sulfide at any public road;

ii. A plat or map detailing the area of exposure, including the locations of public roads within the radius of exposure;

iii. A plan to divert traffic and safely get existing traffic off the road and out of danger.

c. Where the 100 ppm radius of exposure encompasses any public area, the following additional elements shall be included in the H₂S contingency plan:

i. Detailed plans of action to alert and protect persons in the event of a release of a potentially hazardous volume of hydrogen sulfide, including instructions and procedures for alerting persons at risk and emergency response authorities in the event of a release of a potentially hazardous volume of hydrogen sulfide;

ii. A call list including all the persons set forth in Subsubparagraph E(5)(a)(ii), above, and the following:

- aa. ambulance services;
- bb. hospitals;
- cc. county and city fire departments;
- dd. doctors;
- ee. contractors for supplemental or emergency equipment; and
- ff. other public agencies as appropriate.

iii. A statement describing how emergency response actions will be coordinated with the division and the New Mexico state police, consistent with the New Mexico hazardous materials emergency response plan (HMER);

iv. A plat or map detailing the area of exposure, including the locations of private dwellings or residences, public facilities such as schools, businesses, public roads or other similar areas where the public may be reasonably expected to be present within the radius of exposure;

v. The names and telephone numbers of all persons living within the radius of exposure of 100 ppm hydrogen sulfide and contact persons for each public area, such as churches, schools and businesses;

vi. Provisions for advance briefing of affected and responsible persons within the radius of exposure. Such advance briefing shall include the hazards and characteristics of hydrogen sulfide, the necessity for an H₂S contingency plan, the possible sources of hydrogen sulfide within the radius of exposure, instructions for reporting a gas leak, the manner in which persons will be notified in the event of an emergency and steps to be taken in an emergency; and

vii. Additional support information, if applicable, such as the location of emergency evacuation routes, the location of safety and life support equipment, the location of hydrogen sulfide containing facilities, the location of nearby telephones or other means of communication and special instructions for conditions at a particular installation such as local terrain and the effect of various weather conditions.

d. Additional Requirements. The division may impose additional requirements or modify requirements based on site-specific conditions, population density or special circumstances.

5. Submission. ~~When the 100 ppm radius of exposure includes any public area, the H₂S contingency plan shall be submitted to the division and local emergency planning committee no later than 180 days following submission of the radius of exposure required in Subsection D of this Part. Otherwise, the H₂S contingency plan shall not be submitted, but shall be reasonably accessible in the event of a release, maintained on file and provided to the division upon request. If an H₂S contingency plan must be submitted to the division pursuant to this paragraph, it and may be submitted separately or along with the application for permit to drill (APD).~~

6. Failure to Submit Plan. Failure to submit an H₂S contingency plan when required may result in denial of an application for permit to drill, cancellation of an allowable or other appropriate enforcement action.

7. Annual Review, Amendment. ~~The person, operator or facility shall review the H₂S contingency plan shall be reviewed~~ on an annual basis or earlier if activation of a plan reveals a deficiency. If the 100 ppm radius of exposure includes any public area, the person, operator or facility shall submit any amendments shall be submitted to the division and the local emergency planning committee; otherwise, amendments shall not be submitted, but shall be maintained on file and provided to the division upon request.

8. Retention and On-Site Inspection. An H₂S contingency plan shall be reasonably accessible in the event of a release and maintained on file at all times and shall be available for inspection by the Division during normal business hours.

9. Activation Levels. The H₂S contingency plan shall be activated in the event of a release of a potentially hazardous volume of H₂S above the respective thresholds (i.e. 300 ppm radius at any public road, 100 ppm radius at any public area, etc.) or if a sustained concentration of H₂S exceeds 50 ppm at the property line of any facility, well or operation.

F. Protection from Hydrogen Sulfide During Drilling, Workover and Servicing Operations.

1. API Standards. All drilling, completion, workover and well servicing operations shall be conducted with due consideration of the guidelines published by the API entitled "Recommended Practice for Oil and Gas Well Servicing and Workover Operations Involving Hydrogen Sulfide," RP-68, and "Recommended Practices for Safe Drilling of Wells Containing Hydrogen Sulfide," RP-49, most recent edition.

2. Minimum Standards. At a minimum, and possibly in addition to the foregoing API standards, each drilling, completion, workover and well servicing operation shall also be conducted in accordance with the following:

a. Before Commencing Operations. The person, operator or facility shall complete an H₂S contingency plan, where required, shall be completed before commencement of

operations. In addition, hydrogen sulfide training shall be completed and all related safety equipment and warning systems shall be operational before commencement of operations.

b. Egress Routes. The person, operator or facility shall maintain passable egress routes shall be maintained at all times during operations.

c. Detection and Monitoring. The person, operator or facility shall provide hydrogen sulfide detection and monitoring equipment shall be provided as follows:

i. Each drilling and completion site shall have hydrogen sulfide detection and monitoring that automatically activates visible and audible alarms when the ambient air concentration of hydrogen sulfide reaches 10 ppm. There shall be a sensing point located at the shale shaker, rig floor and bell nipple for a drilling site and the cellar, rig floor and circulating tanks or shale shaker for a completion site.

ii. The detection system shall be calibrated and tested monthly. Each test of the hydrogen sulfide monitoring system shall be recorded on the driller's log or its equivalent.

iii. For workover and well servicing operations, one operational sensing point shall be located as close to the well bore as practical. Additional sensing points may be necessary for large or long-term operations.

iv. Hydrogen sulfide detection and monitoring equipment must be provided during drilling when drilling is within 500 feet of the zone anticipated to contain hydrogen sulfide and continuously thereafter through all subsequent drilling. Detection and monitoring equipment is not required for drilling from the surface to within 500 feet of the zone anticipated to contain hydrogen sulfide.

d. Wind Indicators and Signs.

i. Equipment to indicate wind direction shall be present and visible at all times. At least two devices to indicate wind direction shall be installed at separate elevations and visible from all principal working areas at all times.

ii. Danger or caution signs shall be displayed along all accesses to the site. The signs shall read "DANGER - POISON GAS", "DANGER - HYDROGEN SULFIDE", or, as appropriate "CAUTION - POISON GAS" or "CAUTION - HYDROGEN SULFIDE" and in smaller lettering: "Do Not Approach If Red Flag is Flying" or equivalent language approved by the division. Each sign shall be painted in colors that satisfy Table 1 of ANSI standard Z53.1-1967 or regulations of the federal occupational safety and health administration. ~~have a be painted with high visibility red, black and white, or yellow background paint with high visibility black lettering and each danger sign shall have a~~. The signs shall be legible and large enough to be read by all persons entering the well site and shall be placed a minimum of 200 feet but no more than 300 feet from the well site and at a location which allows vehicles to turn around at a safe distance prior to reaching the site.

iii. When hydrogen sulfide is detected in excess of 10 ppm at any detection point, red flags shall be displayed.

e. If Hydrogen Sulfide Encountered During Operations. If hydrogen sulfide was not anticipated at the time the division approved the APD was approved but is encountered during drilling in excess of 100 ppm in the gaseous mixture, the operator shall immediately ensure control of the well, suspend drilling operations (unless detrimental to well control), and obtain materials and safety equipment to bring the operations into compliance with this Section. The operator shall notify the division of the event and the mitigating steps that have or are being taken as soon as possible, but no later than 24 hours following discovery.

3. Operating Practices In Hydrogen Sulfide Concentrations of 100 ppm or Greater. Operating practices in areas known to contain a concentration of hydrogen sulfide gas of 100 ppm or greater in the gaseous mixture shall be subject to the following requirements:

a. If Hydrogen Sulfide Is Encountered During Use of Air, Gas, Mist or Other Non-Mud Circulating Media. If hydrogen sulfide gas in excess of 100 ppm is encountered while drilling with air, gas, mist or other non-mud circulating mediums for aerated mud, the well shall be killed with a water- or oil-based mud, and mud shall be used thereafter as the circulating medium for continued drilling.

b. Flare System. For drilling and completion operations, the person, operator or facility shall install a flare system ~~shall be installed~~ to safely gather and burn hydrogen sulfide-bearing gas, unless exempted pursuant to Subsection K. of this Section. Flare outlets shall be located as far from the well bore as feasible (but not less than 150 feet from the well). Flare lines shall be as straight as practical. The flare system shall be equipped with a suitable and safe means of ignition. Where noncombustible gas is to be flared, the system shall be provided supplemental fuel to maintain ignition.

c. Remote Controlled Choke.

i. The person, operator or facility shall install a remote controlled choke ~~shall be installed~~ during drilling and during completion and well servicing operations when the 100-ppm H₂S radius of exposure includes a public area, unless exempted pursuant to Subsection K of this Section.

ii. A remote controlled valve may be used in lieu of use of a remote controlled choke, but only for completion operations.

iii. A remote controlled choke or remote controlled valve shall have, at a minimum, a pressure and hydrogen sulfide-rated well control choke and kill system including manifold and blowout preventer pursuant to specifications API-16C and API-RP 53. The blowout preventer stack shall have at least one spool for the kill and choke lines, two pipe rams, one blind ram, one annular device and a rotating head. Mud-gas separators shall also be used. These systems shall be tested and maintained pursuant to the specifications referenced or other division rules, if more stringent. Variations to blowout preventer stack arrangements may be granted by the division for good cause shown.

d. Mud Program. A mud program, including de-gassing and flaring, capable of handling H₂S conditions and well control shall be used.

e. Well Testing. Except with prior approval by the division, the drill-stem testing shall be conducted only during daylight hours and formation fluids shall not be permitted to flow to the surface (closed chamber only). An operator shall notify the division 24 hours in advance of a drill-stem test if an H₂S contingency plan is required pursuant to this Section.

G. Protection from Hydrogen Sulfide at Producing Wells, Tank Batteries and Associated Production Facilities, Refineries, Gas Plants and Compressor Stations.

1. API Standards. Operations at crude oil pump stations and producing wells, tank batteries and associated production facilities shall be conducted according to the guidelines published by the API in its publication entitled "Recommended Practices for Oil and Gas Producing and Gas Processing Plant Operations Involving Hydrogen Sulfide," RP-55, latest edition.

2. Minimum Standards. At a minimum, production from wells and operation of tank batteries and associated production equipment shall also be conducted in accordance with the following Subparagraphs and Subsubparagraphs. Where API standards referred to in the previous paragraph are less stringent than the following, the more stringent standards shall apply.

a. Gaseous Mixtures Containing 100 ppm or more. Producing wells containing 100 ppm or more of hydrogen sulfide in the gaseous mixture, tank batteries and associated production facilities at such sites, shall be subject to the following:

i. H₂S Contingency Plan. A determination must be made of the radius of exposure pursuant to this Section and, if required based on the calculated radius of exposure, a H₂S contingency plan will also be required.

ii. Signage. A danger sign or signs shall be posted within 50 feet of each facility to alert the public of the potential hydrogen sulfide danger. If fenced, a danger sign at the gates shall suffice. Danger signs shall be posted at each flow line and gathering line on the well pad that contains hydrogen sulfide gas. The signs shall read "DANGER - POISON GAS - HYDROGEN SULFIDE" or equivalent language approved by the division. Each sign shall be painted with high visibility red, black and white, or yellow paint with black lettering. The signs shall be legible and large enough to be read by all persons entering the well site and shall be placed a minimum of 200 feet but no more than 300 feet from the well site and at a location which allows vehicles to turn around at a safe distance prior to reaching the site. A sign shall be placed at each point where a flow line or gathering line crosses a public road. Each sign shall be legible and shall contain the name of the owner or operator and an emergency telephone number.

iii. Fencing. Fencing and gates shall be required when producing wells, associated tank batteries and associated production facilities are located within a 1/4-mile of a residence, school, church, park, playground, school bus stop or place of business. The fence shall consist of a 5-foot chain link topped by two stands of barbed wire or other designs methods approved by the division. Gates shall be locked when unattended.

iv. Wind Direction Indicators. Wind direction indicators shall be required at every facility (tank battery, water injection station, production satellite) where H₂S concentration in a gaseous state exceeds 100 PPM.

v. Secondary Well Control. Wells where the 100-ppm H₂S radius of exposure incorporates a public area shall possess a secondary means of immediate well control through the use of appropriate christmas tree or downhole completion equipment. Such equipment shall allow downhole accessibility (reentry) under pressure for permanent well control operations.

vi. Automatic Safety Valve or Shutdown. If the 100-ppm radius of exposure involves a public area, the person, operator or facility shall install an automatic safety valve or shutdown ~~shall be installed~~ at the facility or wellhead or shall install other appropriate shut-in control ~~shall be installed~~. The automatic safety valve shall be set to activate upon a release of a potentially hazardous volume of hydrogen sulfide.

b. Tanks or vessels containing 300 ppm or more of hydrogen sulfide in the gaseous mixture shall be subject to the following additional requirements:

1. Each stair or ladder leading to the top of any storage tank shall be chained or marked to restrict entry. For any tank battery that requires fencing pursuant to this Section, a danger sign posted at the gates may be substituted for chaining and signs.

2. The person, operator or facility shall post a danger sign shall ~~be posted~~ on or within 50 feet of any storage tank to alert persons of the potential hydrogen sulfide danger. For any storage tank for which fencing is required, a danger sign posted at the locked gates shall suffice. The sign(s) shall read "DANGER - POISON GAS - HYDROGEN SULFIDE" or equivalent language approved by the Division. Each sign shall be painted with high visibility red, black and white, or yellow paint with black lettering. The sign(s) shall be legible and large enough to be read by all persons entering the well site and shall be placed a minimum of 200 feet but no more than 300 feet from the well site and at a location which allows vehicles to turn around at a safe distance prior to reaching the site.

3. Modification or Repair. The division may require modification or repair of a crude oil pump station, producing well, tank battery or associated production facilities, refinery, gas plant or compressor station if the sustained ambient concentration of hydrogen sulfide is 1 ppm or greater within a public area and the crude oil pump station, producing well, tank battery or associated production facility, refinery, gas plant or compressor station is the source of the hydrogen sulfide detected.

4. Compliance Schedule. Each existing producing well and associated tank battery not currently meeting the requirements and minimum standards set forth herein shall be brought into compliance within one year of the effective date of this Section. Each producing well and tank battery constructed following the effective date of this Section shall be designed, constructed and operated to meet the requirements set forth herein.

H. Personnel Protection and Training. All persons responsible for the implementation of any H₂S contingency plan shall be provided training in hydrogen sulfide hazards, detection, personal protection and contingency procedures.

I. Standards for Equipment That May Be Exposed to Hydrogen Sulfide. Persons, operators and facilities shall chose equipment shall be chosen with consideration for both the H₂S working environment and anticipated stresses. NACE Standard MR0175 (latest edition) shall be used for metallic equipment selection or, if applicable, adequate protection by chemical inhibition or other methods that controls or limits the corrosive effects of H₂S shall be used.

J. Hydrogen Sulfide Injection. Injection of fluids containing hydrogen sulfide where the injection fluids are a gaseous mixture, or would be a gaseous mixture in the event of a release to the atmosphere, and where the 100 ppm radius of exposure from the injection point includes any public area,

excluding a public road, shall not be permitted unless first approved by the division after public hearing. Injection facilities that are permitted as of the effective date of this Section are exempt from the provisions of this subsection.

K. Exemptions. An exemption to the requirements of this Section may be granted by petitioning the director. Any such petition shall provide specific information as to the circumstances that warrant approval of the exemption requested and how the public safety will be protected. The director, after considering all relevant factors, may approve an exemption only if the circumstances warrant an exemption, if the requirements of this Section are met, and public safety will be protected.

L. Release. Upon a release of hydrogen sulfide the following actions must be taken:

1. Activation of the H₂S contingency plan. The person, operator or facility shall activate the H₂S contingency plan ~~shall be activated~~ immediately upon a H₂S release where the potential exists for exposure to a potentially hazardous volume of H₂S, or where a concentration of H₂S greater than 50 ppm exists at the property line of any well, facility or operation.

2. Notification of the Division. The person, operator or facility shall notify the division upon a release of hydrogen sulfide requiring activation of the H₂S contingency plan, ~~the Division shall be notified~~ as soon as practicable, preferably within one hour of discovery of the release or as soon as possible in cases where prompt response should supercede notification. The person, operator or facility shall submit a full report of the incident ~~shall be submitted~~ to the division on Form C-141 no later than fifteen (15) days following the release.

M. Additional Standards. The division may require more stringent standards on a case-by-case basis than those set forth in this Section, or require corrective actions if necessary, to maintain control of a well or any other facility or to safeguard public safety.

19.15. 203 TEMPORARY ABANDONMENT

A. Wells ~~That Which~~ May Be Temporarily Abandoned

(1) The Division may permit any well which is required to be properly abandoned under these rules but which has potential for future beneficial use for enhanced recovery or injection, and any other well for which an operator requests temporary abandonment, to be temporarily abandoned for a period of up to five (5) years, except that a second, third and fourth five year period of temporary abandonment may be permitted so long as the requirements of subsection C and subsection D of this Part are met. A well may not continue in temporary abandoned status longer than twenty (20) years. Prior to the expiration of any approved temporary abandonment the operator shall return the well to beneficial use under a plan approved by the Division, permanently plug and abandon said well or apply for a new approval to temporarily abandon the well. [7-12-90...2-1-96]

B. Request for Approval and Permit

(1) Any operator seeking approval for temporary abandonment shall submit on Form C-103, Sundry Notices and Reports on Wells, a notice of intent to temporarily abandon the well describing the proposed temporary abandonment procedure to be used. No work shall be commenced until approved by the Division and the operator shall give 24 hours notice to the appropriate District office of the Division before work actually begins. [7-12-90...2-1-96]

(2) No temporary abandonment shall be approved unless evidence is furnished to show that the casing of such well is mechanically sound and in such condition as to prevent:

- (a) damage to the producing zone;
- (b) migration of hydrocarbons or water;
- (c) the contamination of fresh water or other natural resources; and
- (d) the leakage of any substance at the surface. [7-12-90...2-1-96]

(3) If the well fails the mechanical integrity test required herein, the well shall be plugged and abandoned in accordance with these rules or the casing problem corrected and the casing retested within ninety (90) days. [7-12-90...2-1-96]

(4) Upon successful completion of the work on the temporarily abandoned well, the operator will submit a request for Temporary Abandonment to the appropriate district office on Form C-103 together with such other information as is required by Rule 1103 E.(1). [7-12-90...2-1-96]

(5) The Division may require the operator to post with the Division a one-well plugging bond for the well in an amount to be determined by the Division to be satisfactory to meet the particular requirements of the well. [7-12-90...2-1-96]

(6) The Division shall specify the expiration date of the permit, which shall be not more than five (5) years from the date of approval. [7-12-90...2-1-96]

C. Additional Bonding. No additional bonding will be required for the first five-year period of temporary abandonment. Before approval of a second five-year period of temporary abandonment, a one-well plugging bond pursuant to Section 101 of this Part must be posted with the Division. Once posted, the additional one-well plugging bond shall not be released until the production from the well resumes or until the well is plugged and abandoned pursuant to this Part.

D. Hearing. Approval of a third or fourth five-year period of temporary abandonment pursuant to this Section will only be granted after an evidentiary hearing during which the operator must demonstrate that the well has the potential for future beneficial use for enhanced recovery or injection or that the operator has future use and specific plans for the well.

E. Tests Required

(1) The following methods of demonstrating casing integrity may be approved for temporarily abandoning a well:

(a) a cast iron bridge plug will be set within one hundred (100) feet of uppermost perforations or production casing shoe and the casing loaded with inert fluid and pressure tested to 500 pounds per square inch with a pressure drop of not more than 10% for thirty (30) minutes; or

(b) a retrievable bridge plug or packer will be run to within one hundred (100) feet of uppermost perforations or production casing shoe and the well tested to 500 pounds per square inch for thirty minutes with a pressure drop of not greater than 10% for thirty (30) minutes; or

(c) for a gas well in southeast New Mexico completed above the San Andres formation, if the operator can demonstrate that the fluid level is below the base of the salt and that a Bradenhead test shows no casing leaks, the Division may exempt the well from the requirement for a bridge plug or packer; or

(d) a casing inspection log confirming the mechanical integrity of the production casing may be submitted. [7-12-90...2-1-96]

(2) Any such test which is submitted must have been conducted within the previous twelve (12) months. [7-12-90...2-1-96]

(3) The Division may approve other casing tests submitted on Form C-103 on an individual basis. [7-12-90...2-1-96]

(4) Before a second, third or fourth period of temporary abandonment is approved pursuant to this Part, a casing integrity test must be conducted pursuant to this Part that demonstrates continued casing integrity.

F. Change of Operator. A change of operator will not affect the temporary abandoned status of a well and the five year period of temporary abandonment will continue to run from the date temporary abandonment was approved for a previous operator. Additional bonding will not be required when a well in its first five year period of temporary abandonment is transferred to another operator, but if an additional bond was deposited pursuant to this Part for a second, third or fourth period of temporary abandonment, or if the second year of temporary abandonment occurs contemporaneously with the transfer, the change of operator will not be approved until a bond is posted by the transferee operator.