



9/13/11

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Apache Corporation  
303 Veterans Airpark Ln., Ste. 3000  
Midland, TX 79705

Bureau of Land Management  
620 E. Greene  
Carlsbad, NM 88220  
575-887-6544

Dear Sirs:

Apache Corporation anticipates encountering H<sub>2</sub>S while drilling the West Blinbry Drinkard Unit #105 located in UL: C. Sec: 8, T21S, R37E, in Lea County, New Mexico. I have attached an *H<sub>2</sub>S Drilling Operations Plan*, *H<sub>2</sub>S Contingency Plan* and *Well Control Emergency Response Plan*. If you need anything further, please contact me at the telephone number or email listed above.

Thank you,

A handwritten signature in black ink, appearing to read 'Sorina Flores', is written in a cursive, flowing style.

Sorina Flores  
Svp. Drlg Services

MAR 08 2012

MAR 06 2012

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## **HYDROGEN SULFIDE (H<sub>2</sub>S) DRILLING OPERATIONS PLAN**

### **Hydrogen Sulfide Training:**

All regularly assigned personnel, contracted or employed by Apache Corporation will receive training from qualified instructor(s) in the following areas prior to commencing drilling possible hydrogen sulfide bearing formations in this well:

- The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S)
- The proper use and maintenance of personal protective equipment and life support systems.
- The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing area, evacuation procedures & prevailing winds.
- The proper techniques for first aid and rescue procedures.

### **Supervisory personnel will be trained in the following areas:**

- The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be utilized, personnel will be trained in their special maintenance requirements.
- Corrective action & shut-in procedures when drilling or reworking a well & blowout prevention / well control procedures.
- The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500') and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received proper training.

## **H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS:**

### **Well Control Equipment that will be available & installed if H<sub>2</sub>S is encountered:**

- Flare Line with electronic igniter or continuous pilot.
- Choke manifold with a minimum of one remote choke.
- Blind rams & pipe rams to accommodate all pipe sizes with properly sized closing unit.
- Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head & flare gun with flares

### **Protective Equipment for Essential Personnel:**

- Mark II Survive-air 30 minute units located in dog house & at briefing areas, as indicated on wellsite diagram.

### **H<sub>2</sub>S Detection and Monitoring Equipment:**

- Two portable H<sub>2</sub>S monitors positioned on location for best coverage & response. These units have warning lights & audible sirens when H<sub>2</sub>S levels of 20 ppm are reached.
- One portable H<sub>2</sub>S monitor positioned near flare line.

### **H<sub>2</sub>S Visual Warning Systems:**

- Wind direction indicators are shown on wellsite diagram.
- Caution / Danger signs shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used when appropriate.

### **Mud Program:**

- The Mud Program has been designed to minimize the volume of H<sub>2</sub>S circulated to the surface. Proper mud weights, safe drilling practices & the use of H<sub>2</sub>S scavengers will minimize hazards when penetrating H<sub>2</sub>S bearing zones.
- A mud-gas separator and H<sub>2</sub>S gas buster will be utilized as needed.

### **Metallurgy:**

- All drill strings, casing, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold & lines, & valves will be suitable for H<sub>2</sub>S service.
- All elastomers used for packing & seals shall be H<sub>2</sub>S trim.

### **Communication:**

- Cellular telephone and 2-way radio communications in company vehicles, rig floor and mud logging trailer.

# HYDROGEN SULFIDE (H<sub>2</sub>S) CONTINGENCY PLAN

**Assumed 100 ppm ROE = 3000'**

100 ppm H<sub>2</sub>S concentration shall trigger activation of this plan.

## Emergency Procedures

In the event of a release of gas containing H<sub>2</sub>S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H<sub>2</sub>S 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 operators and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the :
  - Detection of H<sub>2</sub>S, 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 (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

### **Characteristics of H<sub>2</sub>S and SO<sub>2</sub>**

<b>Common Name</b>	<b>Chemical Formula</b>	<b>Specific Gravity</b>	<b>Threshold Limit</b>	<b>Hazardous Limit</b>	<b>Lethal Concentration</b>
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	N/A	1000 ppm

## **Contacting Authorities**

Apache Corporation personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location 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. Apache's response must be in coordination with the State of New Mexico's "*Hazardous Materials Emergency Response Plan*" (HMER).

# WELL CONTROL EMERGENCY RESPONSE PLAN

## I. GENERAL PHILOSOPHY

Our objective is to ensure that during an emergency, a predetermined procedure is followed so that prompt decisions can be made based on accurate information.

The best way to handle an emergency is with an experienced organization set up for the sole purpose of solving the problem. The *Well Control Emergency Response Team* was organized to handle dangerous & expensive well control problems. The *Team* is structured such that each individual can contribute the most from his area of expertise. Key decision-makers are determined prior to an emergency to avoid confusion about who is in charge.

If the well is flowing uncontrolled at the surface or subsurface, *The Emergency Response Team* will be mobilized. The *Team* is customized for the people currently on the Apache staff. Staff changes may require a change in the plan.

## II. EMERGENCY PROCEDURE ON DRILLING OR COMPLETION OPERATIONS

- A. In the event of an emergency the *Drilling Foreman* or *Tool-Pusher* will immediately contact only one of the following starting with the first name listed:

Name	Office	Mobile	Home
Danny Laman – Drlg Superintendent	432-818-1022	432-634-0288	432-520-3528
Robert Clary – Drilling Engineer	432-818-1961	432-230-5074	
Bobby Smith – Drilling Manager	432-818-1020	432-556-7701	
Brad Horton – Supervisor EH&S	432-818-1105	432-631-4077	432-638-9250

*\*\*This one phone call will free the Drilling Foreman to devote his full time to securing the safety of personnel & equipment. This call will initiate the process to mobilize the Well Control Emergency Response Team. Apache maintains an Emergency Telephone Conference Room in the Houston office. This room is available for us by the Permian Region. The room has 50 separate telephone lines.*

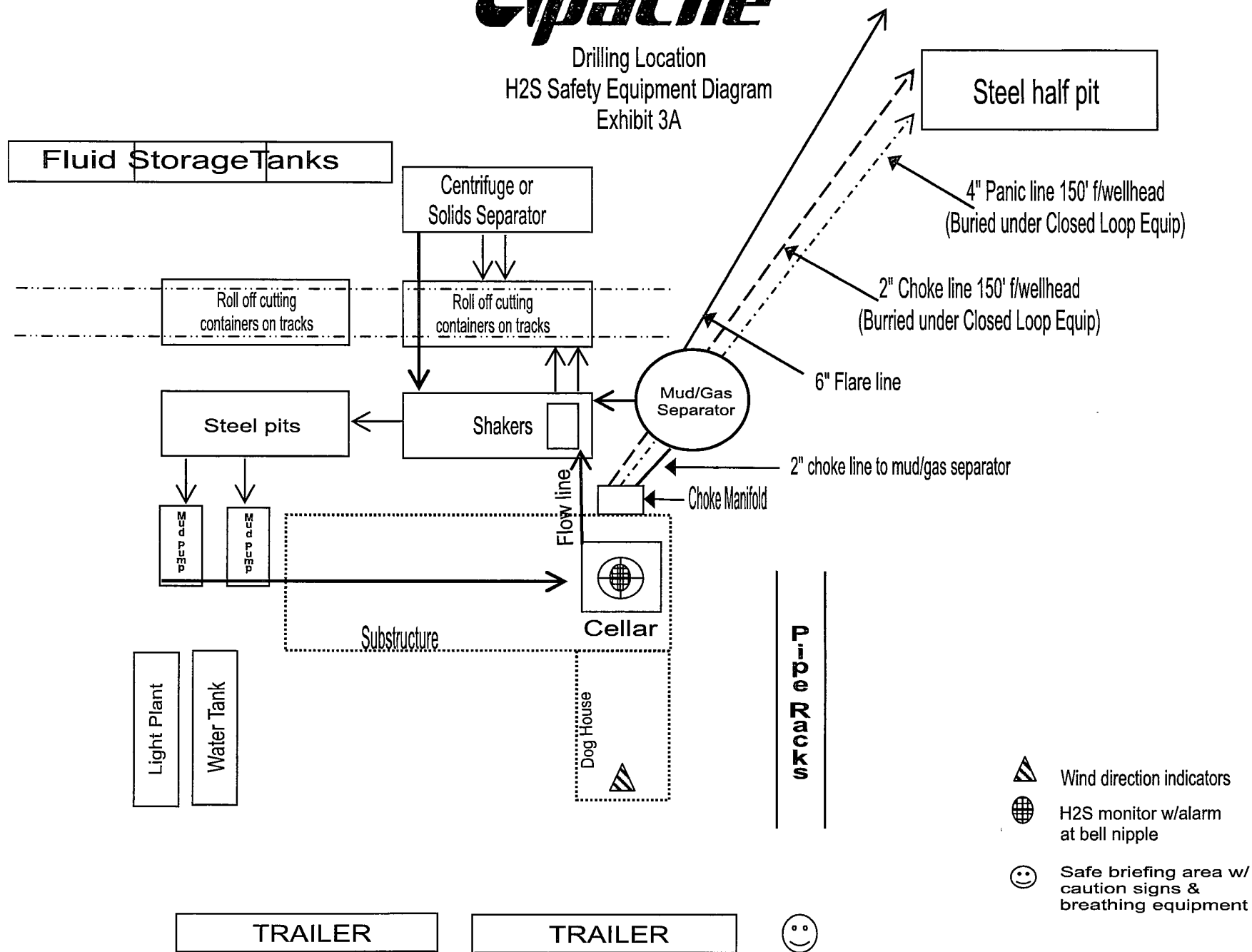
- B. The Apache employee contacted by the Drilling Foreman will begin contacting the rest of the *Team*. If **Danny Laman** is out of contact, **Robert Clary** will be notified.
- C. If a member of the *Emergency Response Team* is away from the job, he must be available for call back. Telephone numbers should be left with secretaries or a key decision-maker.
- D. Apache's reporting procedure for spills or releases of oil or hazardous materials will be implemented when spills or releases have occurred or are probable.

### EMERGENCY RESPONSE NUMBERS:

SHERIFF DEPARTMENT	
Eddy County	575-887-7551
Lea County	575-396-3611
FIRE DEPARTMENT	
	911
Artesia	575-746-5050
Carlsbad	575-885-2111
Eunice	575-394-2111
Hobbs	575-397-9308
Jal	575-395-2221
Lovington	575-396-2359
HOSPITALS	
	911
Artesia Medical Emergency	575-746-5050
Carlsbad Medical Emergency	575-885-2111
Eunice Medical Emergency	575-394-2112
Hobbs Medical Emergency	575-397-9308
Jal Medical Emergency	575-395-2221
Lovington Medical Emergency	575-396-2359
AGENT NOTIFICATIONS	
Bureau of Land Management	575-393-3612
New Mexico Oil Conservation Division	575-393-6161

# Apache

Drilling Location  
H2S Safety Equipment Diagram  
Exhibit 3A



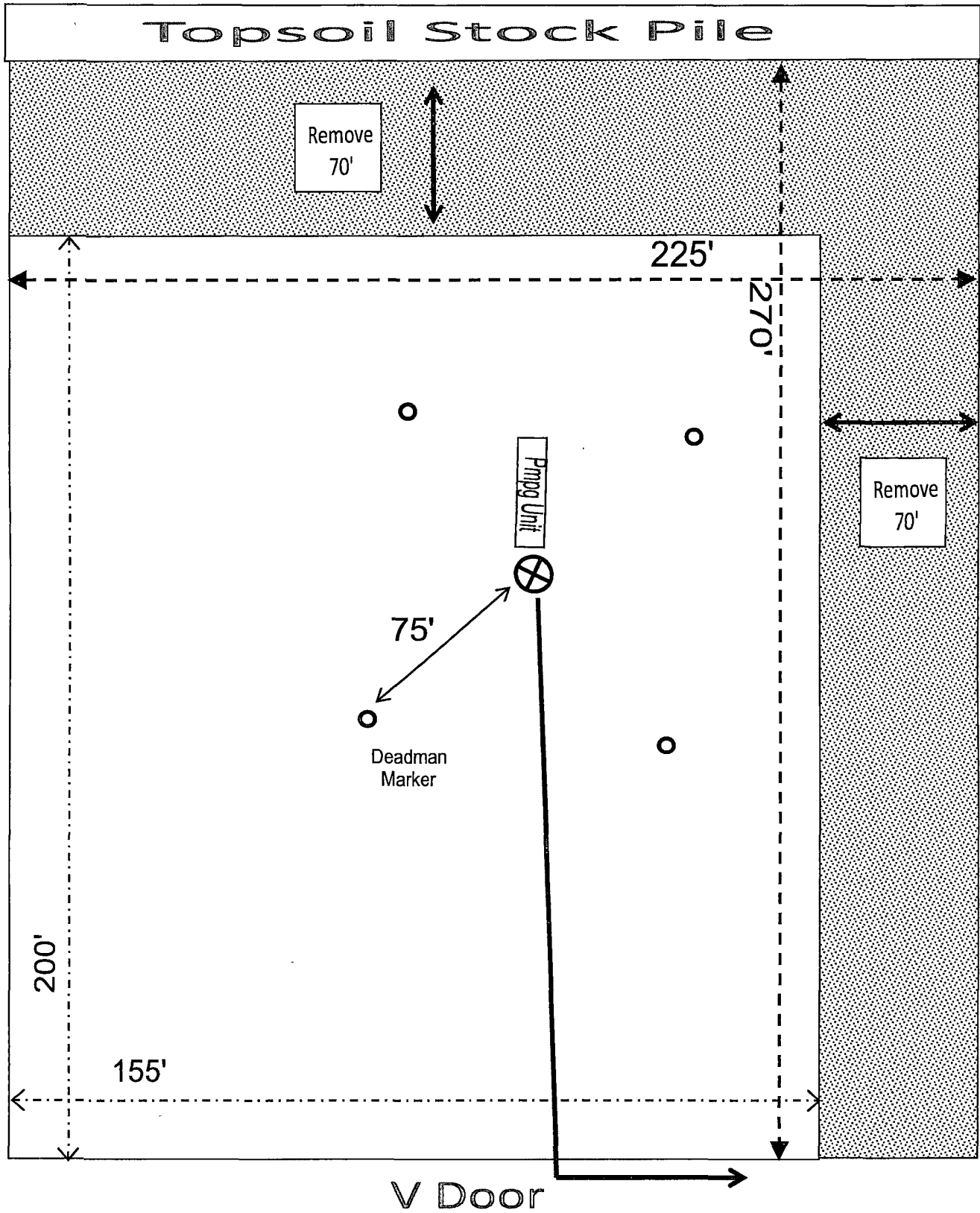
# INTERIM RECLAMATION LAYOUT

WBDU #105

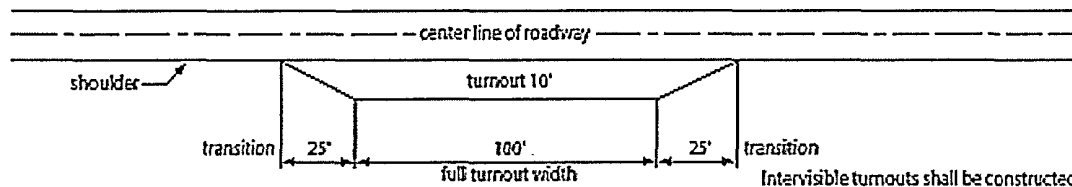
EXHIBIT #6



Flowline

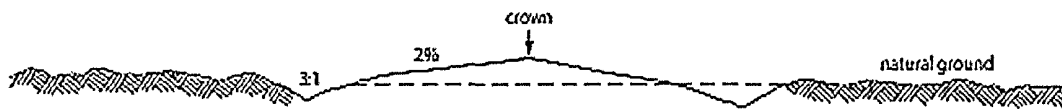


# Cross Sections and Plans for Typical Road Sections

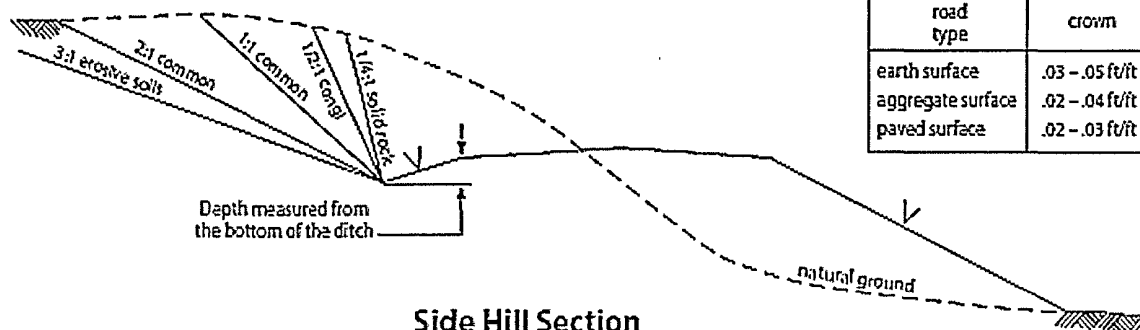


**Typical Turnout Plan**

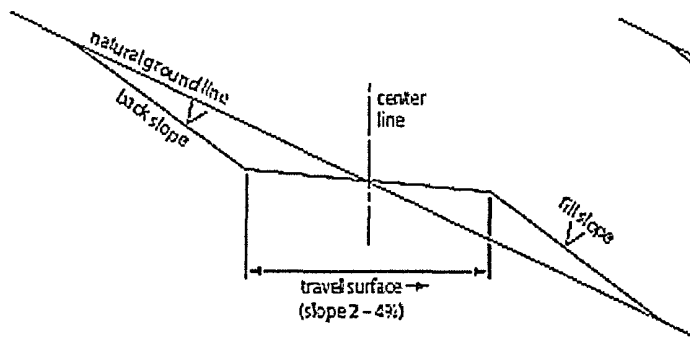
Intervisble turnouts shall be constructed on all single lane roads on all blind curves with additional tunouts as needed to keep spacing below 1000 feet.



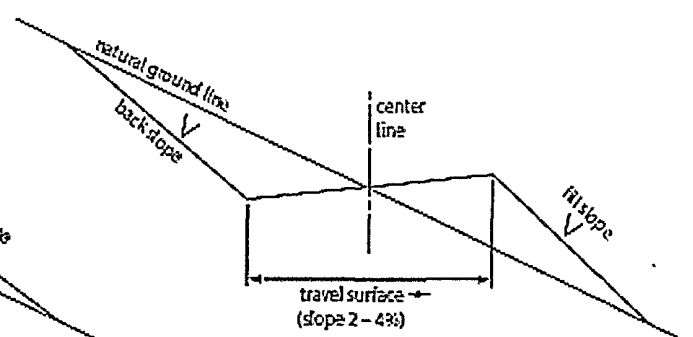
**Level Ground Section**



**Side Hill Section**



**Typical Outsloped Section**



**Typical Insloped Section**