

COG OPERATING LLC
HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

HOEBS OGD

AUG 10 2013

1. HYDROGEN SULFIDE TRAINING

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All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

- a. The hazards and characteristics of hydrogen sulfide (H₂S).
- b. The proper use and maintenance of personal protective equipment and life support systems.
- c. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- d. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

- a. The effects of H₂S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H₂S Drilling Operations Plan and the Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H₂S zone (within 3 days or 500 feet) and weekly H₂S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H₂S 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 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 feet above, or three days prior to penetrating the first zone containing or reasonably expected to contain H₂S.

- a. Well Control Equipment:
 - Flare line.
 - Choke manifold with remotely operated choke.
 - Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
 - Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

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- b. Protective equipment for essential personnel:
Mark II Surviveair 30-minute units located in the dog house and at briefing areas. HOBBS OOD
- c. H2S detection and monitoring equipment: AUG 10 2013
2 - portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached. CH2SD
- d. Visual warning systems:
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. See example attached.
- e. Mud Program:
The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- g. Communication:
Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

WARNING

HOBBS CCD

**YOU ARE ENTERING AN H₂S AREA
AUTHORIZED PERSONNEL ONLY**

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- 1. BEARDS OR CONTACT LENSES NOT ALLOWED**
- 2. HARD HATS REQUIRED**
- 3. SMOKING IN DESIGNATED AREAS ONLY**
- 4. BE WIND CONSCIOUS AT ALL TIMES**
- 5. CK WITH COG OPERATING LLC FOREMAN AT MAIN OFFICE**

COG OPERATING LLC

1-575-748-6940

EMERGENCY CALL LIST

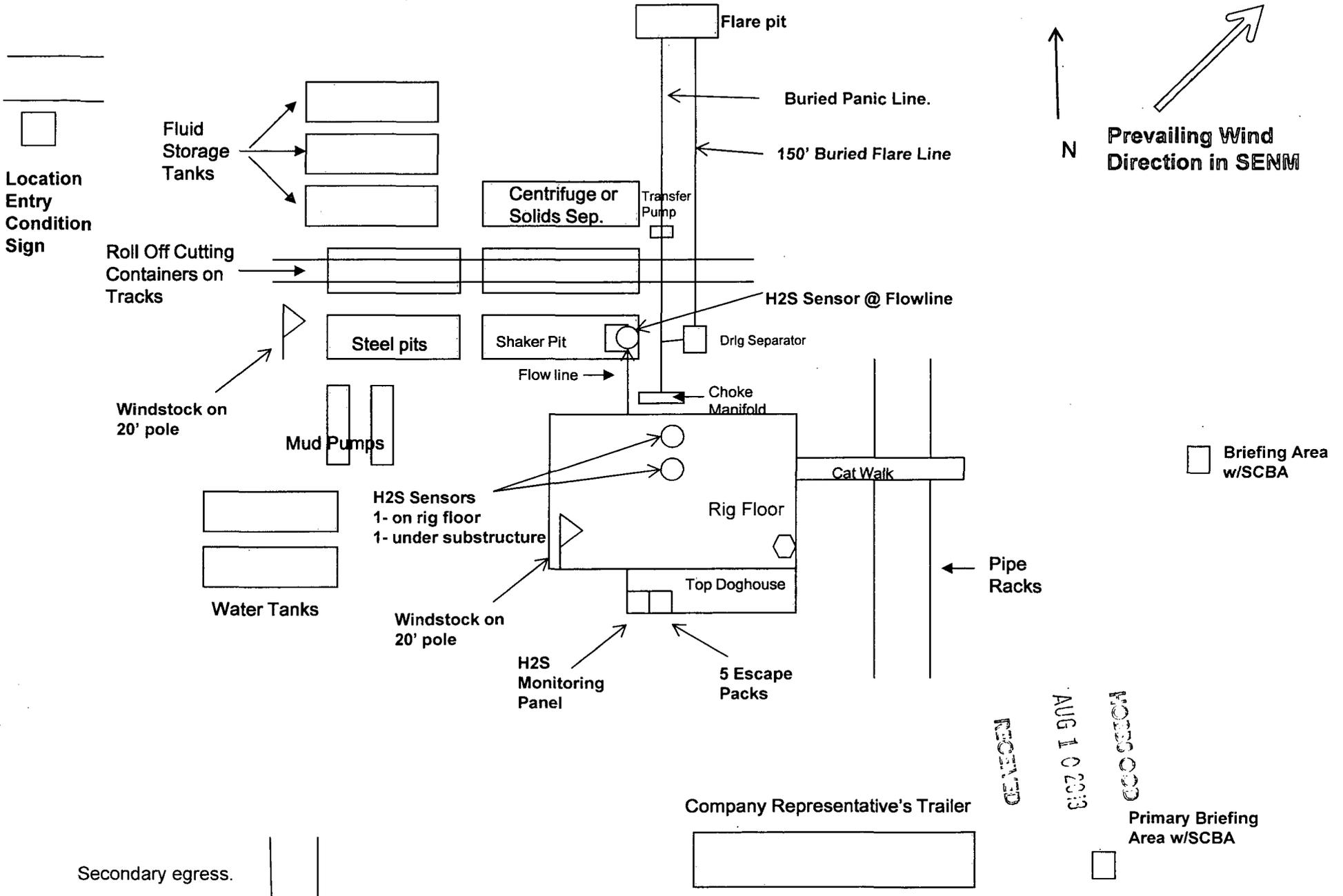
	<u>OFFICE</u>	<u>MOBILE</u>	
COG OPERATING LLC OFFICE	575-748-6940		
SHERYL BAKER	575-748-6940	432-934-1873	HOBSB OCD
KENT GREENWAY	575-746-2010	432-557-1694	AUG 1 0 2013
SETH WILD	575-748-6940	432-528-3633	RECEIVED
WALTER ROYE	575-748-6940	432-934-1886	

EMERGENCY RESPONSE NUMBERS

	<u>OFFICE</u>
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451

COG Operating LLC
 H₂S Equipment Schematic
 Terrain: Shinnery sand hills.

Well pad will be 340' X 340'
 with cellar in center of pad



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 H01255020

Primary Briefing Area w/SCBA

Secondary egress.

Surface Use Plan
COG Operating, LLC
Roy Batty Federal Com #3H
SL: 190' FSL & 1887' FEL UL O
Section 11, T24S, R33E
BHL: 330' FNL & 1887' FEL UL B
Section Sec 11, T24S, R33E
Lea County, New Mexico

Surface Use & Operating Plan

Roy Batty Federal Com #3H

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- Surface Owner: Mark McCloy, PO Box 1076, Jal, NM 88252
- New Road: No new road needed.
- Flow Line: Will follow the existing road to the tank battery located on the Roy Batty Federal Com #1H.
- Facilities: No facilities needed.

Well Site Information

V Door: East

Topsoil: East

Interim Reclamation: South & East

Notes

Onsite: On-site was done by Tanner Nygren (BLM) & Eric Conklin (COG) on May 22, 2013.



COG Operating LLC
2208 West Main
Artesia, NM 88210

EXHIBIT 3

Production Facility Layout

Roy Batty Federal Com #3H

Section 11-T24S-R33E

