

HOBBS OGD

SEP 08 2014

30-025-42094

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All Company and Contract personnel admitted on location must be trained by a qualified H2S safety instructor to the following:

- A. Characteristics of H<sub>2</sub>S
  - B. Physical effects and hazards
  - C. Principal and operation of H<sub>2</sub>S detectors, warning system and briefing areas.
  - D. Evacuation procedure, routes and first aid.
  - E. Proper use of safety equipment & life support systems
  - F. Essential personnel meeting Medical Evaluation criteria will receive additional training on the proper use of 30 minute pressure demand air packs.
- 2 H<sub>2</sub>S Detection and Alarm Systems:
- A. H<sub>2</sub>S sensors/detectors to be located on the drilling rig floor, in the base of the sub structure/cellar area, on the mud pits in the shale shaker area. Additional H<sub>2</sub>S detectors may play placed as deemed necessary.
  - B. An audio alarm system will be installed on the derrick floor and in the top doghouse.
- 3 Windsock and/or wind streamers:
- A. Windsock at mudpit area should be high enough to be visible.
  - B. Windsock on the rig floor and / or top doghouse 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 indicates normal safe condition. Yellow flag indicates potential pressure and danger. Red flag indicates danger (H<sub>2</sub>S present in dangerous concentration). Only H<sub>2</sub>S trained and certified personnel admitted to location.
- 5 Well control equipment:
- A. See exhibit "E-1"
- 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:
- No DSTs r cores are planned at this time.
- 8 Drilling contractor supervisor will be required to be familiar with the effects H<sub>2</sub>S has on tubular goods and other mechanical equipment.
- 9 If H<sub>2</sub>S 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 H<sub>2</sub>S scavengers if necessary.

SEP 10 2014

H<sub>2</sub>S Contingency Plan  
**Cuervo Federal 26H**  
Cimarex Energy Co. of Colorado  
UL: A, Sec. 14, 23S, 32E  
Lea Co., NM

**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 operator 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 there is an ignition of the gas.

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

Please see attached International Chemical Safety Cards.

**Contacting Authorities**

Cimarex Energy Co. of Colorado's personnel must liaise 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. Cimarex Energy Co. of Colorado's response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

H<sub>2</sub>S Contingency Plan Emergency Contacts  
**Cuervo Federal 26H**  
 Cimarex Energy Co. of Colorado  
 UL: A, Sec. 14, 23S, 32E  
 Lea Co., NM

**Company Office**

Cimarex Energy Co. of Colorado	800-969-4789
Co. Office and After-Hours Menu	

**Key Personnel**

Name	Title	Office	Mobile
Larry Seigrist	Drilling Manager	432-620-1934	580-243-8485
Doug McQuitty	Drilling Superintendent	432-620-1933	806-640-2605
Scott Lucas	Drilling Superintendent	432-620-1989	432-894-5572
Roy Shirley	Construction Superintendent		432-634-2136

**Artesia**

Ambulance	911
State Police	575-746-2703
City Police	575-746-2703
Sheriff's Office	575-746-9888
<b>Fire Department</b>	<b>575-746-2701</b>
Local Emergency Planning Committee	575-746-2122
New Mexico Oil Conservation Division	575-748-1283

**Carlsbad**

Ambulance	911
State Police	575-885-3137
City Police	575-885-2111
Sheriff's Office	575-887-7551
<b>Fire Department</b>	<b>575-887-3798</b>
Local Emergency Planning Committee	575-887-6544
US Bureau of Land Management	575-887-6544

**Santa Fe**

New Mexico Emergency Response Commission (Santa Fe)	505-476-9600
New Mexico Emergency Response Commission (Santa Fe) 24 Hrs	505-827-9126
New Mexico State Emergency Operations Center	505-476-9635

**National**

National Emergency Response Center (Washington, D.C.)	800-424-8802
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**Medical**

Flight for Life - 4000 24th St.; Lubbock, TX	806-743-9911
Aerocare - R3, Box 49F; Lubbock, TX	806-747-8923
Med Flight Air Amb - 2301 Yale Blvd S.E., #D3; Albuquerque, NM	505-842-4433
SB Air Med Service - 2505 Clark Carr Loop S.E.; Albuquerque, NM	505-842-4949

**Other**

Boots & Coots IWC	800-256-9688	or	281-931-8884
Cudd Pressure Control	432-699-0139	or	432-563-3356
Halliburton	575-746-2757		
B.J. Services	575-746-3569		

**On-site performed on 10/29/13 with BLM (Jesse Rice) resulted in the following:**

(2 well pad)

**Cuervo Federal #21**

SHL: 334 FNL & 2575 FWL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 2200 FEL

**Cuervo Federal #22**

SHL: 334 FNL & 2555 FWL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 2200 FWL

Could not fit wells with the #24 due to power lines on 3 sides. Moved 500 ft. east to miss power lines and rancher water pipeline.

V-Door East. Frac pad Northwest corner (West). Top soil south. Interim reclamation: All sides. Access road from the Northeast corner to north. Pipelines, to east to the Cuervo #20 battery.

**Cuervo Federal #24 (Single Well)**

SHL: 430 FNL & 2055 FWL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 1335 FWL

Locations fell too close to power lines to the north, west and east. Moved 100 ft. south and turned short side to west to make it fit.

V-Door North. Top soil south. Frac pad Southwest corner (South). Interim reclamation: All sides. Access road from Northeast corner, north. Gas lift/Production line to the east, following east/west lease road to the battery at the Cuervo #20.

**Cuervo Federal #23 (Single well pad)**

SHL: 330 FNL & 375 FWL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 440 FWL

OK where staked. V-Door West. Frac pad Southeast corner (South). Top soil west. Access road & pipeline, east. Pipeline to follow proposed & existing road to Cuervo #20 battery. Interim reclamation: All sides.

(2 well pad)

**Cuervo Federal #25**

SHL: 360 FNL & 895 FEL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 1325 FEL

**Cuervo Federal #26**

SHL: 360 FNL & 865 FEL, Sec 14, T. 23 S., R. 32 E.

BHL: 330 FSL & 440 FEL

Locations fell too close to power line to the north. Moved 30 ft. south. V-Door East. Frac pad Northwest corner (West). Top soil south. Interim reclamation: All sides. Access road northeast corner, north. Pipeline, east, to Cuervo #20 battery.

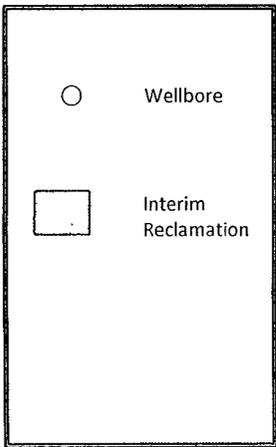
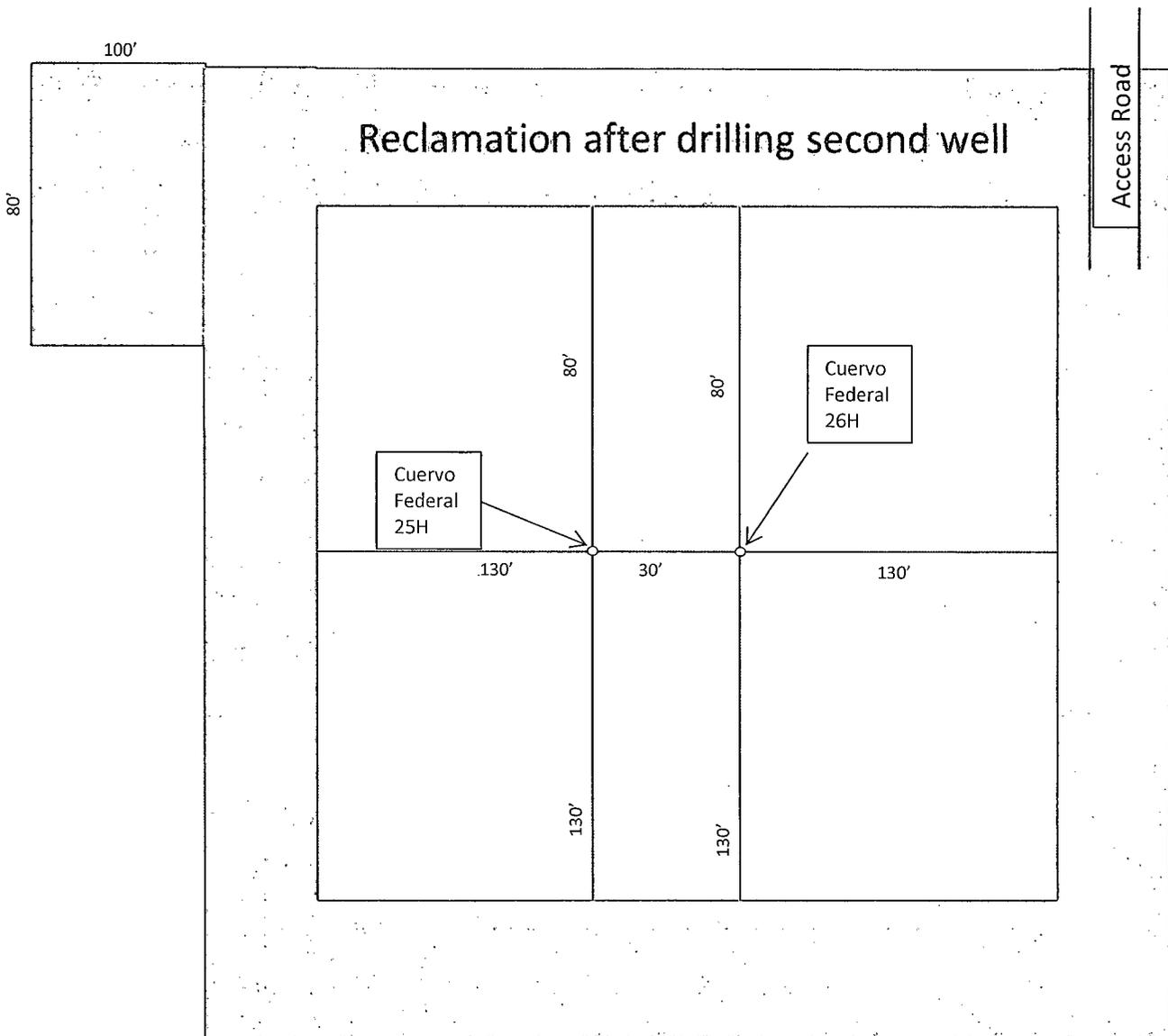


Exhibit D-1  
 Interim Reclamation Diagram  
**Cuervo Federal 26H**  
 Cimarex Energy Co. of Colorado  
 14-23S-32E  
 SHL 372 FNL & 835 FEL  
 BHL 330 FSL & 440 FEL  
 Lea County, NM