ConocoPhillips

Drilling Operations H₂S Plan

30-025-39781

ConocoPhillips, Inc. will comply with Onshore Order No. 2 and No. 6 for working in an H₂S environment or a potential H₂S environment.

I. Hydrogen Sulfide Training

All contractors and subcontractors employed by ConocoPhillips will receive or have received training from a qualified instructor within the last twelve months in the following areas prior to commencing drilling operations on this well.

The hazards and characteristics of hydrogen sulfide (H₂S).

Safety precautions.

3. Operations of safety equipment and life support systems.

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

- 1. The effect of H₂S on metal components in the system, especially where high tensile strength tubulars are to be used.
- 2. Corrective action and shutdown procedures when drilling or reworking a well, blowout prevention and well control procedures, if the nature of the work involves these items.
- The contents and requirements of the contingency plan when such plan is required.

II. H₂S Equipment and Systems

Safety Equipment

The following minimum safety equipment will be on location:

- Wind direction indicators placed near rig floor/mud return lines and at points along the perimeter of the location to allow visibility of at least one indicator from any point on location.
- b. Automatic H₂S detection alarm equipment (both audio and visual).
- c. Clearly visible warning signs. Signs will use the words "POISON GAS" and "CAUTION" with a strong color contrast.
- d. Protective breathing equipment will be located in the doghouse and at briefing areas on location.

2. Well Control Systems

a. Blowout Prevention Equipment

- Flare lines will be 6" flanged steel lines with electronic ignition, boom will be at least 150' from the wellbore.
- Choke is to be remotely controlled.
- Flare gun and flares will not be used.
- Mud gas separator will be used and a rotating head (if well is exploratory).

Communication

The rig contractor will be required to have two-way communication capability. ConocoPhillips will have either; land-line, satellite phone, microwave phone, or mobile (cellular) telephone capabilities.

c. Mud Program

The mud program has been designed to minimize the volume of H_2S circulated to surface. Proper mud weight, safe drilling practices and the use of H_2S scavengers when appropriate will minimize hazards when penetrating H_2S bearing zones.

d. Drill stem tests

Any planned drill stem test will be cancelled if H_2S is detected prior to such test. In the event that H_2S is detected during testing, the test will be terminated immediately.



H₂S Contingency Plan

H₂S Contingency Plan Holders:

Attached is an H₂S Contingency Plan for COPC Permian Drilling working in the West Texas and Southeastern New Mexico areas operated by ConocoPhillips Company.

If you have any questions regarding this plan, please call Tom Samarripa at ConocoPhillips Company, 432.368.1210.

Table of Contents

Section

- I. Purpose
- II. Scope
- III. Procedures
- IV. Emergency Equipment and Maintenance

Emergency Equipment Suppliers General Information H2S Safety Equipment and Monitoring Systems

- V. Emergency Call List
- VI. Public/Media Relations
- VII. Pubic Notification/Evacuation
- VIII. Forms/Reports



HYDROGEN SULFIDE (H₂S) OPERATIONS

RECEIVED

JUN 1 0 2010 HOBBSOCD

Contingency Plan
For
Permian Drilling Operations

ConocoPhillips Company Mid-Continent Business Unit Permian Asset Area

I. PURPOSE

The purpose of this Contingency Plan is to provide an organized plan of action for alerting and protecting the public following the release of a potentially hazardous volume of hydrogen sulfide. This plan prescribes mandatory safety procedures to be followed in the event of a release of H₂S into the atmosphere from exploration and production operations included in the scope of this plan. The extent of action taken will be determined by the supervisor and will depend on the severity and extent of H₂S release. Release of H₂S must be reported to the Drilling Superintendent and documented on the IADC and in Wellview.

II. SCOPE

This Contingency plan shall cover the West Texas and Southeastern New Mexico areas, which contain H2S gas and could result in a release where the R.O.E. is greater than 100 ppm at 50' and less than 3000' and does not include a public area and 500 ppm R.O.E. does not include a public road. Radius of exposure is defined as the maximum distance from the source of release that a specified calculated average concentration of H₂S could exist under specific weather conditions.

III. PROCEDURES

First Employee on Scene
Assess the incident and ensure your own safety.
Note the following:
 Location of the incident. Nature of the incident. Wind direction and weather conditions. Other assistance that may be needed.
Call local supervisory personnel (refer to Section V: Emergency Call List) until personal contact is made with a person on the list.
Perform emergency assessment and response as needed. The response may include rescue and/or evacuation of personnel, shutting in a system and/or notification of nearby residents/public (refer to Section VII: Public Notification/Evacuation).
Secure the site.
Follow the direction of the On-scene Incident Commander (first ConocoPhillips supervisor arriving on-scene).
First Supervisor on Scene (ConocoPhillips On-scene Incident Commander)
—— Becomes ConocoPhillips' On-scene Incident Commander upon arrival to location.
Follow the principles of the D.E.C.I.D.E. process below to assess the incident. (Note wind direction and weather conditions and ensure everyone's safety).
DETECT the problem ESTIMATE likely harm without intervention CHOOSE response objectives IDENTIFY action options DO the best option EVALUATE the progress
Complete the Preliminary Emergency Information Sheet (refer to Section VIII: Forms/Reports).
Call your supervisor (refer to Section V: Emergency Call List).

•	Perform emergency response as necessary. (This may include notification & evacuation of all personnel and/or nearby residents/public (refer to Section VII: Public Notification/Evacuation), requesting assistance from ConocoPhillips personnel or outside agencies (refer to Section V: Emergency Call List) and obtaining any safety equipment that may be required (refer to Section IV: Emergency Equipment and Mainténance).
	 Notify appropriate local emergency response agencies of the incident as needed. Also notify the appropriate regulatory agencies. (refer to Section V: Emergency Call List).
	Ensure site security.
	 Set barricades and /or warning signs at or beyond the calculated 100 ppm H₂S radius of exposure (ROE). All manned barricades must be equipped with an H₂S monitor and a 2-way radio.
	—— Set roadblocks and staging area as determined.
	—— Establish the Incident Command Structure by designating appropriate on-scene response personnel as follows:
·	Recording Secretary Public Information Officer Safety/Medical Officer Decontamination Officer
	Have the "Recording Secretary" begin documenting the incident on the "Incident Log" (refer to Section VIII: Forms/Reports).
	—— If needed, request radio silence on all channels that use your radio tower stating that, until further notice, the channels should be used for emergency communications only.
	——— Perform a Site Characterization and designate the following:
	Hot Zone Hazardous Area Warm Zone Preparation & Decontamination Area Cold Zone Safe Area

•

AND

On-Scene Incident Command Post Public Relations Briefing Area Staging Area Triage Area Decontamination Area	(Cold Zone) (Cold Zone) (Cold Zone) (Cold Zone) (Warm Zone)
——— Refer all media personnel to ConocoPhillips' On-Scene Pu Officer (refer to Section VI: Public Media Relations).	blic Information
Coordinate the attempt to stop the release of H ₂ S. You sho upstream and downstream valves to shut-off gas supply so or clamping leaks. Igniting escaping gas to reduce the toxi used ONLY AS A LAST RESORT. (It must first be dete be safely ignited, taking into consideration if there is a poss flammable atmosphere.)	city hazard should be crmined if the gas can
Once the emergency is over, return the situation to normal	by:
Confirming the absence of H ₂ S and combustible gas	throughout the area,
Discontinuing the radio silence on all channels, stating incident is over,	ng that the emergency
Removing all barricades and warning signs,	,
Allowing evacuees to return to the area, and	
Advising all parties previously notified that the emer	gency has ended.
Ensure the proper regulatory authorities/agencies are notific to Section V: Emergency Call List).	ed of the incident (refer
Clean up the site. (Be sure all contractor crews have had a training.)	ppropriate HAZWOPER
Report completion of the cleanup to the Asset Environment (Environmentalist will report this to the proper State and/or	talist. r Federal agencies.)

Fill out all required incident reports and send originals to the Safety Department. (Keep a copy for your records.) Company employee receiving occupational injury or illnesses. Company employee involved in a vehicle accident while driving a company vehicle. Company property that is damaged or lost. Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system. If this incident was simulated for practice in emergency response, complete the
 (Keep a copy for your records.) Company employee receiving occupational injury or illnesses. Company employee involved in a vehicle accident while driving a company vehicle. Company property that is damaged or lost. Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
 Company employee involved in a vehicle accident while driving a company vehicle. Company property that is damaged or lost. Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
 Company property that is damaged or lost. Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
 Accident involving the public or a contractor; includes personal injuries, vehicle accidents, and property damage. Also includes any situation, which could result in a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
 accidents, and property damage. Also includes any situation, where a claim against the Company. Hazardous Material Spill/Release Report Form Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
 Emergency Drill Report Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
Assist the Safety Department in the investigation of the incident. Review the factors that caused or allowed the incident to occur, and modify operating, maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
factors that caused or allowed the incident to occur, and incomplete repairs maintenance, and/or surveillance procedures as needed. Make appropriate repairs and train or retrain employees in the use and operation of the system.
- 1. 1 for practice in emergency response, complete the
Emergency Drill Report found in Section VIII. Forms/Reports and sub-
the plan.)

.

.

Emergency Procedures Responsibility

In the event of a release of potentially hazardous amounts of H2S, all personnel will immediately proceed upwind/ crosswind to the nearest designated briefing area. The COPC Drilling Rep. will immediately, upon assessing the situation, set this into action by taking the proper procedures to contain the gas and notify appropriate people and agencies.

- 1. In an emergency situation, the Drilling Rep. on duty will have complete responsibility and will take whatever action is deemed necessary in an emergency situation to insure the personnel's safety, to protect the well and to prevent property damage.
- 2. The Toolpusher will assume all responsibilities of the Drilling Rep. in an emergency situation in the event the Drilling Rep. becomes incapacitated.
- 3. Advise each contractor, service company, and all others entering the site that H2S may be encountered and the potential hazards that may exist.
- 4. Authorize the evacuation of local residents if H2S threatens their safety.
- 5. Keep the number of persons on location to a minimum during hazardous operations.
- 6. Direct corrective actions to control the flow of gas.
- 7. Has full responsibility for igniting escaping gas to reduce the toxicity hazard. This should be used **ONLY AS A LAST RESORT**.

IV. EMERGENCY EQUIPMENT and MAINTENANCE

Emergency Equipment Suppliers

Total Safety US Odessa, Tx/ Hobs, NM

H₂S monitors
Breathing air includes cascade systems
Fire fighting equipment
First aid and medical supplies
Safety equipment

432.561.5049 Odessa, Tx. 575.392.2973 Hobbs, NM

Safety International - Odessa, Tx.

H₂S monitors
Breathing air includes cascade systems
First aid and medical supplies
Safety equipment
H2S Specialist

432.580.3770

Indian Fire & Safety - Hobbs, NM

H₂S monitors
Breathing air including cascade systems trailer mounted
30 minute air packs
Safety Equipment

575.393.3093

Leek Fire & Equipment Company - Odessa, Tx.

H₂S monitors
Fire fighting equipment
First aid and medical supplies
Safety equipment

432.332.1693

Emergency Equipment and Maintenance (continued)

General Information

Materials used for repair should be suitable for use where H₂S concentrations exceed 100 ppm. In general, carbon steels having low-yield strengths and a hardness below RC-22 are suitable. The engineering staff should be consulted if any doubt exists on material specifications.

Appropriate signs should be maintained in good condition at location entrance and other locations as specified in Texas Rule 36 and NMOCD Rule 118.

All notification lists should be kept current with changes in names, telephone numbers, etc.

All shutdown devices, alarms, monitors, breathing air systems, etc., should be maintained in accordance with applicable regulations.

All personnel working in H₂S areas shall have received training on the hazards, characteristics, and properties of H₂S, and on procedures and safety equipment applicable for use in H₂S areas.

H2S Safety Equipment and Monitoring Systems

An H2S emergency response package will be maintained at locations requiring H2S monitoring. The package will contain at a minimum the following:

- 3 Fixed H2S sensors located as follows:
 - 1 -on the rig floor
 - 1 at the Bell Nipple
 - 1 at the Shale Shaker or Flowline
- 1 Entrance Warning Sign located at the main entrance to the location, with warning signs and colored flags to determine the current status for entry into the location.
- 2 Windsocks that are clearly visible.
- 1 Audible warning system located on rig floor
- 2 Visual warning systems (Beacon Lights)
 - 1 located at the rig floor
 - 1 located in the mud mixing room

Note: All alarms (audible and visual) should be set to alarm at 10 ppm.

- 2 Briefing areas clearly marked
 - 2 SCBA's at each briefing area
 - 1- SCBA located at the Drilling Reps office

- 1. All SCBA's must be positive pressure type only!!!
- 2. All SCBA's must either be Scott or Drager brand.
- 3. All SCBA's face pieces should be size large, unless otherwise specified by the Drilling Supervisor.
- 5 Emergency Escape Paks located at Top Doghouse.

Note: Ensure provisions are included for any personnel working above rig floor in derrick.

1 - Tri or Quad gas monitor located at the Drilling Reps office. This will be used to determine if the work area if safe to re-enter prior to returning to work following any alarm.

V. EMERGENCY CALL LIST:

The following is a priority list of personnel to contact in an emergency situation:

Office No.	Home	Cellular
432.368.1302	432.563.9467	432.556.9116
422 368 1263	432 367 4961	432.556.9113
423.306.1203	13213	1
432.368.1100		432.978.9804
432.368.1248		432.631.066
832.486.2567	281.225.8063	281.435.3517
	423.368.1263 432.368.1100 432.368.1248	432.368.1302 432.563.9467 423.368.1263 432.367.4961 432.368.1100 432.368.1248

EMERGENCY CALLESI: State Officials

Regulatory Agencies

Texas Railroad Commission (District 8)

Office: 432.684.5581

Midland, Texas

New Mexico Oil Conservation Commission

Office: 575.393.6161

P. O. Box 1980

Hobbs, New Mexico 88240-1980

Bureau of Land Mngt.

Carlsbad Field Office

620 E. Greene St.

Carlsbad, NM 88220

Office: 575.234.5972

Fax: 575.885.9264

EMERGENCY CALL LIST: Local Officials

Refer to the Location Information Sheet

Note: The LIS should include any area residents (i.e. rancher's house, etc)

VI. Public Media Relations

The **Public Information Officer** becomes the ConocoPhillips on-scene contact (once designated by the Phillips On-Scene Incident Commander).

Confers with Houston Office's Human Relations Representative, who is responsible for assisting in the coordination of local public relations duties.

Answer media questions honestly and <u>only with facts</u>, do not speculate about the cause, amount of damage, or the potential impact of the incident of the community, company, employees, or environment. (This information will be formally determined in the incident investigation.)

If you are comfortable answering a question or if you are unsure of the answer, use terms such as the following:

- "I do not know. I will try to find out."
- I am not qualified to answer that question, but I will try to find someone who can."
- "It is under investigation."

Note:

Do Not Say "No Comment." (This implies a cover-up.)

Do Not Disclose Names of Injured or Dead! Confer with the Houston Office's Human Relations Representative, who is responsible for providing that information.

VII. Public Notification/Evacuation

Alert and/or Evacuate People within the Exposure Area

1. Public Notification – If the escape of gas could result in a hazard to area residents, the general public, or employees, the person <u>first</u> observing the leak should take <u>immediate</u> steps to cause notification of any nearby residents. The avoidance of injury or loss of life should be of prime consideration and given top priority in all cases. If the incident is of such magnitude, or at such location as to create a hazardous situation, local authorities will be requested to assist in the evacuation and roadblocks of the designated area until the situation can be returned to normal.

Note: Bilingual employees may be needed to assist in notification of residents.

2. Evacuation Procedures – Evacuation will proceed upwind from the source of the release of H₂S. Extreme caution should be exercised in order to avoid any depressions or low-lying areas in the terrain. The public area within the radius of exposure should be evacuated in a southwesterly and southeasterly direction so as to avoid the prevailing southern wind direction.

Roadblocks and the staging area should be established as necessary for current wind conditions.

Note: In all situations, consideration should be given to wind direction and weather conditions. H₂S is heavier than air and can settle in low spots. Shifts in wind direction can also change the location of possible hazardous areas.

VIII. FORMS & REPORTS

- I. Incident Log
- II. Preliminary Emergency Information Sheet
- III. Emergency Drill Report
- IV. Onshore Hazardous Material Spill/Release Report Form
- V. Immediate Report of Occupational Injury or Illness Report of Accident-Public Contractor Report of Loss or Damage to Company Property Report of Automotive Incident

ConocoPhillips Emergency Contact Phone Numbers (SENM)

ConocoPhillips (281)293-3600								
Drilling Superint	endent	Cotton Hair	work cell	(432)368-1302 (432)556-9116				
Safety (WSER)	,	Tom Samarripa	work cell	(432)368-1263 (432)556-9113				
Drilling Enginee	er	Jason Tilley	work cell	(832)486-2919 (281)684-4720				
Regulatory Con	tact	Jalyn Fiske	work	(432)688-6813				
EMERGENCY NUMBERS								
Hospital:	Lea County Regional Medical Center (Hobbs)(575)492-5000							
Ambulance:	Hobbs Fire Dep	(575)397-9308						
Air Ambulance:	Care Star Aero Star	.(888)624-3571 .(800)627-2376						
Fire Dept:	Hobbs Maljamar (Non-	(575)397-9308 (575)676-4100						
State Police:	Hobbs (Non-Fi	(575)748-9718 (575)392-5580 (575)392-5588						
Sheriff:	Lovington	(575)396-3611						
Police:	Lovington	(575)396-5166						
NMOCD:	(Non-Emergen (Emergency)	(575)393-6161 (575)370-7106						
BLM:	Carlsbad		FAX	(575)393-3612 (575)393-4280				
New Mexico E	(505)476-9600 (505)827-9126							
New Mexico State Emergency Operations Center (Santa Fe):(505)476-9635								
National Emergency Response Center (Washington, DC):(800)424-8802								

Recommended Telephone Procedures for Emergencies

- State emergency situation
 Give full name, company, and phone number
- 3. Give cause of injury and condition of injured
- 4. Provide good directions to location or highway
- 5. Send vehicle to meet EMS at highway or landmark
- 6. Stay by phone until EMS arrives on location