Hydrogen Sulfide Drilling Operations Plan

Mewbourne Oil Company Red Hills 9 Federal #1H 1980' FNL & 330' FWL (SL) Sec 9-T26S-R33E Lea County, New Mexico

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1. General Requirements

Rule 118 does not apply to this well because MOC has researched this area and no high concentrations of H2S were found. MOC will have on location and working all H2S safety equipment before drilling out from intermediate casing for purposes of safety and insurance requirements.

2. Hydrogen Sulfide Training

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will have received training from a qualified instructor in the following areas prior to entering the drilling pad area of the well:

- 1. The hazards and characteristics of hydrogen sulfide gas.
- 2. The proper use of personal protective equipment and life support systems.
- 3. The proper use of hydrogen sulfide detectors, alarms, warning systems, briefing areas, evacuation procedures.
- 4. The proper techniques for first aid and rescue operations.

Additionally, supervisory personnel will be trained in the following areas:

- The effects of hydrogen sulfide on metal components. If high tensile tubular systems are utilized, supervisory personnel will be trained in their special maintenance requirements.
- 2 Corrective action and shut in procedures, blowout prevention, and well control procedures while drilling a well.
- The contents of the Hydrogen Sulfide Drilling Operations Plan.

There will be an initial training session prior to encountering a know hydrogen sulfide source. The initial training session shall include a review of the site specific Hydrogen Sulfide Drilling Operations Plan.

3. Hydrogen Sulfide Safety Equipment and Systems

All hydrogen sulfide safety equipment and systems will be installed, tested, and operational prior to drilling below the intermediate casing.

1. Well Control Equipment

- A. Flare line with automatic igniter or continuous ignition source.
- B. Choke manifold with minimum of one adjustable choke.
- C. Blowout preventers equipped with blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit
- D. Auxiliary equipment including annular type blowout preventer.

2. Protective Equipment for Essential Personnel

Thirty minute self contained work unit located at briefing area as indicated on wellsite diagram.

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3. Hydrogen Sulfide Protection and Monitoring Equipment

Two portable hydrogen sulfide monitors positioned on location for optimum coverage and detection. The units shall have audible sirens to notify personnel when hydrogen sulfide levels exceed 20 PPM.

4. Visual Warning Systems

- A. Wind direction indicators as indicated on the wellsite diagram.
- B. Caution signs shall be posted on roads providing access to location. Signs shall be painted a high visibility color with lettering of sufficient size to be readable at reasonable distances from potentially contaminated areas.

4. Mud Program

The mud program has been designed to minimize the amount of hydrogen sulfide entrained in the mud system. Proper mud weight, safe drilling practices, and the use of hydrogen sulfide scavengers will minimize hazards while drilling the well.

5. Metallurgy

All tubular systems, wellheads, blowout preventers, drilling spools, kill lines, choke manifolds, and valves shall be suitable for service in a hydrogen sulfide environment when chemically treated.

6. Communications

State & County Officials phone numbers are posted on rig floor and supervisors trailer. Communications in company vehicles and toolpushers are either two way radios or cellular phones.

7. Well Testing

Drill stem testing is not an anticipated requirement for evaluation of this well. A drill stem test is required, it will be conducted with a minimum number of personnel in the immediate vicinity. The test will be conducted during daylight hours only.

8. Emergency Phone Numbers

Lea County Sheriff's Office	911 or 575-396-3611
Ambulance Service	911 or 575-885-2111
Jal Fire Dept	911 or 575-395-2221
Closest Medical Facility – Funice Health Clinic	575-394-1091

Mewbourne Oil Company	Hobbs District Office Fax 2 nd Fax	575-393-5905 575-397-6252 575-393-7259
District Manager	Micky Young	575-390-0999
Drilling Superintendent	Frosty Lathan	575-390-4103
Engineer	Charles Martin	575-441-2081
Drilling Foreman	Wesley Noseff	575-441-0729
Drilling Foreman	George Smith	575-390-4365

MEWBOURNE OIL COMPANY P O BOX 7698 TX 75711 7698

No.

220404

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INVOICE DATE	INVOICE NUMBER	(903)561-2900 DESCRIPTION	VOUCHER	AMOUNT
0/06/10	10/6/10-FILING.FEE	APD APPLICATION FILING FEE FOR RED HILLS 9 FED #1H 1980'FNL & 330'FWL, SEC 9, T26S, R33E, LEA CO., NM	1010220404	6500.00
	BUREAU OF LAND MANAGEMENT		TOTAL	6,500.00

Frost National Bank

MEWBOURNE OIL COMPANY P O BOX 7698 TYLER TX 75711 7698

220404

30-9/1140

*****6,500*DOLLARS AND*****0*CENTS

DATE PAY THIS AMOUNT ******6,5000.00 10/06/10

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BUREAU OF LAND MANAGEMENT 620 EAST GREENE STREET CARLSBAD, NM 88220

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