

Emergency Response Plan

Desert Eagle Operating, LLC
Red Rocks Helium Gas Wells

Las Animas County, Colorado

PREPARED BY:

Desert Eagle Operating, LLC
17101 Preston Rd., Suite 105
Dallas, TX 75248

February 2024

1.0 INTRODUCTION

Desert Eagle Operating, LLC (DEO) prepared this Emergency Response Plan (Plan) for five proposed helium gas wells in Las Animas County, Colorado. Helium is an inert, non-flammable, non-combustible naturally occurring gas. The wells will be in the locations listed below. They are additions to the existing Red Rocks helium gas well development. Previous wells, Red Rocks 1-13, 1-14, 1-16, 35-08, 35-11, and 35-15, were drilled in 2022 and 2023.

Proposed wells:

Red Rocks 1-09	SE¼NE¼ Section 1, T30S R55W
Red Rocks 1-15	NW¼NE¼ Section 1, T30S R55W
Red Rocks 35-01	SE¼SE¼ Section 35, T29S R55W
Red Rocks 35-08A	NE¼SE¼ Section 35, T29S R55W
Red Rocks 35-10	SW¼NE¼ Section 35, T30S R55W

Each well will be a conventional vertical well, approximately 1,900 feet deep. Each location will be approximately 1.10 acres during development and will be downsized to approximately 0.20 acres during production. The well pads will be on fee rangeland leased from a private landowner. If the exploratory well is developed for production, the well pad will contain only a wellhead inside of livestock fencing. There will be no equipment or fluid storage on the locations. Inert helium gas will flow using a buried 8" polyethylene flowline to the existing off-site helium processing unit located south of Red Rocks 1-13. There, helium gas is separated, compressed, and loaded into a tube trailer for transport.

This Plan addresses the requirement from the Energy & Carbon Management Commission (ECMC) at Rule 304.c.(8) to prepare an Emergency Response Plan and to coordinate its approval with the local emergency response agency. Specifically, ECMC guidance (February 16, 2021) requires that the Plan contain the information listed in Table 1.

Table 1. Required Content for the Emergency Response Plan

1	Local response agency and contact information
2	Date the plan was finalized and approved by the local response agency
3	Directions to the location from the nearest public road intersection
4	Ingress and egress information
5	Legal description (quarter section, township, range, latitude, longitude)
6	Operator and staff emergency contact information
7	Listing of mutual aid agencies
8	Staffing of local and mutual aid agencies
9	Description of site setting including the surrounding area
10	Detailed layout of the Oil & Gas Location
11	Detailed description of the equipment and stored material
12	Sensitive areas
13	Potential impacts, prevention, and mitigation
14	Response equipment, instruments, materials
15	Health and safety action levels, decontamination, staging areas
16	Training coordinated with local responders

2.0 REPONSE PLAN ELEMENTS

1. LOCAL RESPONSE AGENCY

Table 2. Local Response Agency and Contact

Agency	Contact	Contact Information
Kim Volunteer Fire Department	John Shannon, Chief	(719) 643-5210 (Chief non-emergency) (719) 469-8697 (Chief mobile) 44barjs@gmail.com kimvfdems@gmail.com

2. DATE THE PLAN WAS FINALIZED AND APPROVED

This Emergency Response Plan was provided to the local response agency in February 2024 for review. Appendix A demonstrates the coordination.

3. DIRECTIONS TO THE LOCATION

From Kim, CO:

East on US 160 for 10.75 miles to CR 179

North on CR 179 for 14 miles

Bear left on CR 177.9 for 3 miles

Red Rocks is signed on the east and west sides of CR 177.9

4. INGRESS AND EGRESS INFORMATION

Ingress

Travel approximately 5,200' east from CR 177.9 on an unsecured dirt road to Red Rocks 1-15. Continue approximately 2,000' east to the turnoff for Red Rocks 1-09.

Travel approximately 1,400' northeast from CR 177.9 to Red Rocks 35-08A.

Red Rocks 35-01 and 35-10 are approximately 200' east of CR 177.9.

Egress

The access roads will accommodate emergency vehicles. There is sufficient turn-around at each well pad for emergency vehicles and equipment.

5. LEGAL DESCRIPTION

Table 3. Legal Description

	1-09	1-15	35-01	35-08A	35-10
Qtr Qtr	SE¼NE¼,	NW¼NE¼	SE¼SE¼	NE¼SE¼	SW¼NE¼
Section	1	1	35	35	35
Township	30 South	30 South	29 South	29 South	29 South
Range	55 West	55 West	55 West	55 West	55 West
County	Las Animas	Las Animas	Las Animas	Las Animas	Las Animas

	1-09	1-15	35-01	35-08A	35-10
Lat	37.460372	37.465009	37.467959	37.473477	37.475925
Lon	-103.517227	-103.522500	-103.537764	-103.536136	-103.541431

6. OPERATOR AND STAFF EMERGENCY CONTACT INFORMATION

Table 4. Operator Contact Information

Operator and Staff	Contact
Principal	Wesley Marshall (214) 886-5098 wmarshall@prohelium.com
Driller	Brad Butler (972) 345-9195 butleroil@yahoo.com
Local Operator	Joe Nemecek (580) 421-6921 jnemecek@jsxchange.com

7. MUTUAL AID AGENCY

Las Animas County Sheriff's Office
Derek Navarette, Sheriff and Fire Marshall
navarette@lasosheriff.org
Office (719) 846-2211

8. STAFFING OF LOCAL AND MUTUAL AID AGENCIES

The Kim Volunteer Fire Department is a nonprofit organization staffed by volunteer emergency responders. It provides ambulance and fire response services in the Kim, Colorado area.

The Las Animas County Sheriff's Office is the chief law enforcement and public safety office for Las Animas County. It is overseen by the sheriff, undersheriff, and lieutenant, with additional sergeants and deputies.

9. SITE SETTING

The well pads and surrounding area are shown in Appendix B. The well pads will be on non-irrigated rangeland leased to DEO. The setting is arid and sparsely vegetated. Vegetation is primarily cholla, juniper, yucca, and blue grama. No residences are located within a 1-mile radius of the locations. Six producing helium gas wells are operated by DEO as part of the Red Rocks development: Red Rocks 1-13, 1-14, 1-16, 35-08, 35-11, and 35-15. DEO operates a helium processing unit south of Red Rocks 1-13.

10. DETAILED LAYOUT

A representative layout is shown in Appendix C.

11. EQUIPMENT AND STORED MATERIALS

Well drilling on each pad will require the equipment listed below. The equipment will be removed when well drilling is complete. The equipment is shown on the Drill Rig Layout in Appendix C.

- Truck-mounted Drill Rig
- Water Tank
- Fuel Tank
- Pipe Rack and Winch Truck
- Drill Cuttings Steel Tank
- Auxiliary Air Package

During production, well pads will have the equipment below. The equipment is shown on the Facility Layout in Appendix C.

- Helium Gas Wellhead
- Buried 8" Polyethylene Flowline
- Livestock Fencing

12. SENSITIVE AREAS

There are no sensitive areas affected by the well pads. There are no residences within 1 mile. The nearest mapped water features are gullies and former man-made stock ponds.

13. POTENTIAL IMPACTS, PREVENTION, AND MITIGATION

The wells will not produce natural gas, hydrocarbons, or water. They do not pose a risk of fire, explosion, or hazardous air emissions.

The wells do not have characteristics of oil or natural gas wells. There will be no tanks or fluids on the locations during production. Potential impacts will be limited to incidental amounts of lubricants and fuel used during well drilling. Material will be properly containerized. Site equipment will be maintained in good working condition.

The well pads will be kept weed free to avoid ignition of vegetation with a vehicle catalytic converter. Personnel will be expected to limit speeds to avoid accidents.

14. RESPONSE EQUIPMENT

Spill response material will be maintained to respond to a small leak or spill, such as lubricants or an incidental fuel leak.

In the event of a larger incident, DEO will manage and oversee direct support from a third-party provider to respond to an unintentional release and any potential soil contamination.

15. HEALTH AND SAFETY ACTION LEVELS

The driller will be on site daily during well drilling. Their presence will provide continuous communication about site conditions and site safety. During production, an operator will maintain and monitor the sites approximately 2 days per week. Action levels to provide for site safety will consist of the following:

1. Log – Notes site activity and items requiring response or maintenance and repair.
2. Maintenance Log – Provides a record that maintenance and repair items have been addressed. Documents preventative maintenance. Provides a schedule for repeat maintenance.

3. Incident Report – Documents an incident and response. Ensures that conditions leading to the incident were addressed.

16. TRAINING COORDINATED WITH LOCAL RESPONDERS

In the event of an emergency requiring first responders, a unified command will be established between the DEO appointed representative on location and first responders.

Muster points are shown in Appendix B.

Site personnel will be trained on the types of incidents that may occur on site and the appropriate response. Incidents include those listed below. Through this Plan, potential incidents are being coordinated with the local response agency for agency input.

- Injury from equipment operation
- Equipment failure causing injury
- Equipment failure causing fire
- Grass fire or wildfire
- Medical emergency
- Slips, trips, falls
- Insect stings and bites
- Weather-related incident
- Motor vehicle accident

Most accidents consist of minor injuries, such as cuts, scrapes, trips, and sprains. Most medical incidents typically involve cold or heat exposure, sunburn, and insect stings and bites. Vehicles operating at the site will carry general first aid supplies. On-site self-treatment is typically sufficient for an incident until personnel are able to leave the site and, if warranted, receive any additional follow up treatment. Notification to the DEO Principal will occur within 24 hours for all health and safety incidents. Serious incidents may require a 911 response.

Personnel will be instructed that the nearest major medical facility is the Mt. San Rafael Hospital in Trinidad, CO. It is approximately 77 miles away. An air ambulance can serve the site for critical care. Its base is in Pueblo, CO, with a range of 150 miles.

NEAREST MEDICAL FACILITY

Mt. San Rafael Hospital

410 Benedicta Avenue

Trinidad, CO 81802

(719) 846-3305

24-hour Emergency Room

Directions:

South on CR 177.9 and CR 179 to US 160

West on US 160 for 60 miles to Trinidad

Left on Benedicta Ave. for 0.5 miles

Hospital is on the left

Flight for Life

Lifeguard Four Station

St. Mary-Corwin Medical Center

Pueblo, CO

Directions:

Transport requests are made by medical personnel, ambulance service, fire department, or law enforcement.

Appendices

Appendix A	Demonstration of Local Response Agency Coordination
Appendix B	Locations
Appendix C	Representative Layout Drawings

Appendix A

Demonstration of Local Response Agency Coordination

gwen.brodsky@aota.tech

From: John Shannon <44barjs@gmail.com>
Sent: Tuesday, February 13, 2024 4:29 AM
To: gwen.brodsky@aota.tech
Subject: Re: Proposed Desert Eagle Operating helium gas wells

Thank you for the information

John Shannon Chief

Sent from my iPhone

On Feb 12, 2024, at 10:19 AM, gwen.brodsky@aota.tech wrote:

Chief Shannon,

On behalf of Desert Eagle Operating, LLC, this e-mail is again coordinating on proposed new helium gas wells. The proposed locations off of Villegreen Rd. (CR 177.9) are described and shown in the attached Emergency Response Plan. Helium is an inert, non-flammable, non-combustible naturally occurring gas. Well drilling is regulated by the Colorado Energy & Carbon Management Commission (ECMC). ECMC requires coordination of this Emergency Response Plan with the local response agency. Your response to this email will help to demonstrate the coordination.

Please don't hesitate to let me know if you have any questions about the development or the attached plan.

Thank you,
Gwen

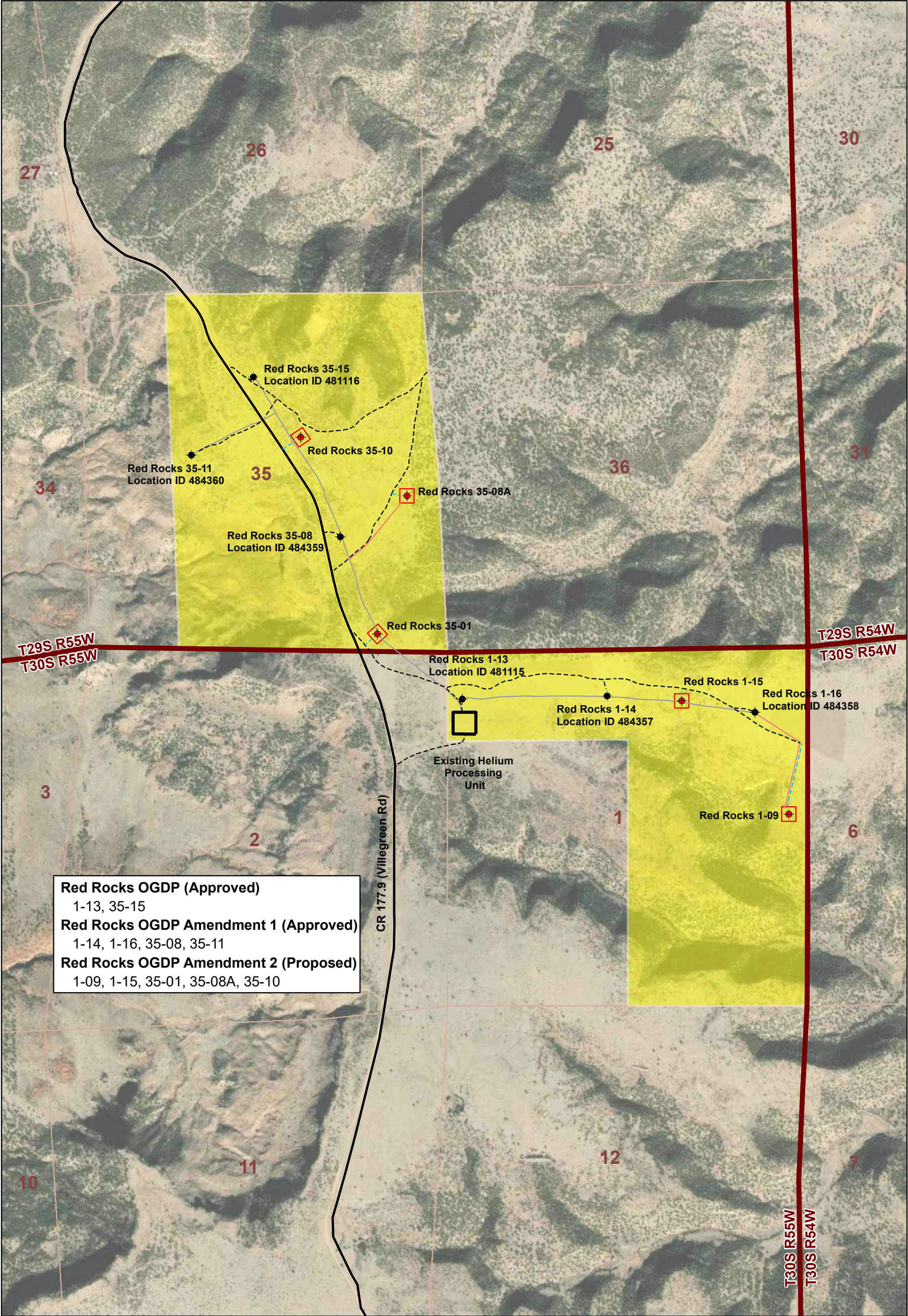
Gwen Brodsky | Principal
Cell (303) 818-4462
gwen.brodsky@aota.tech

Aota Technical, LLC | Denver, CO
www.aota.tech

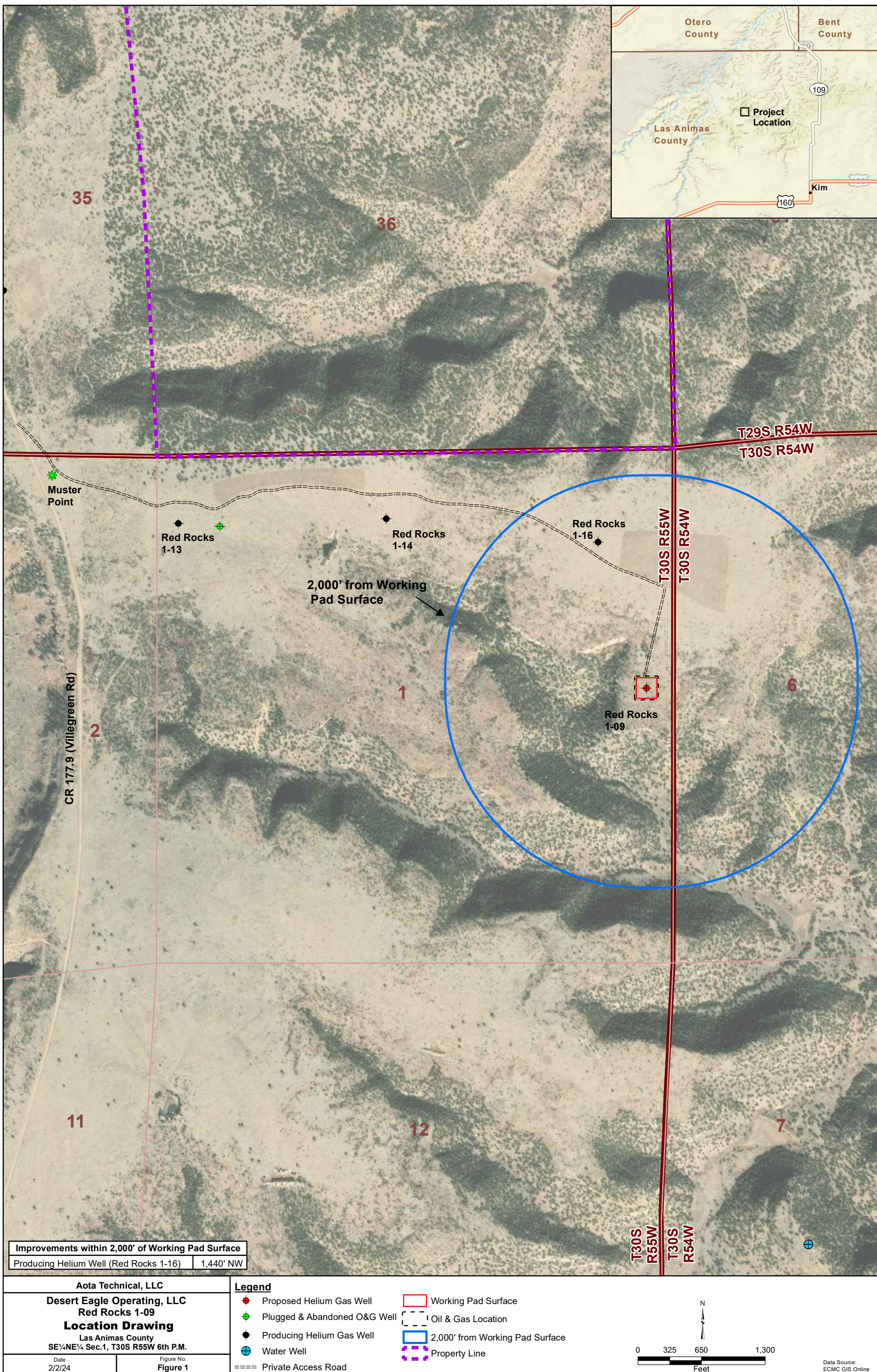
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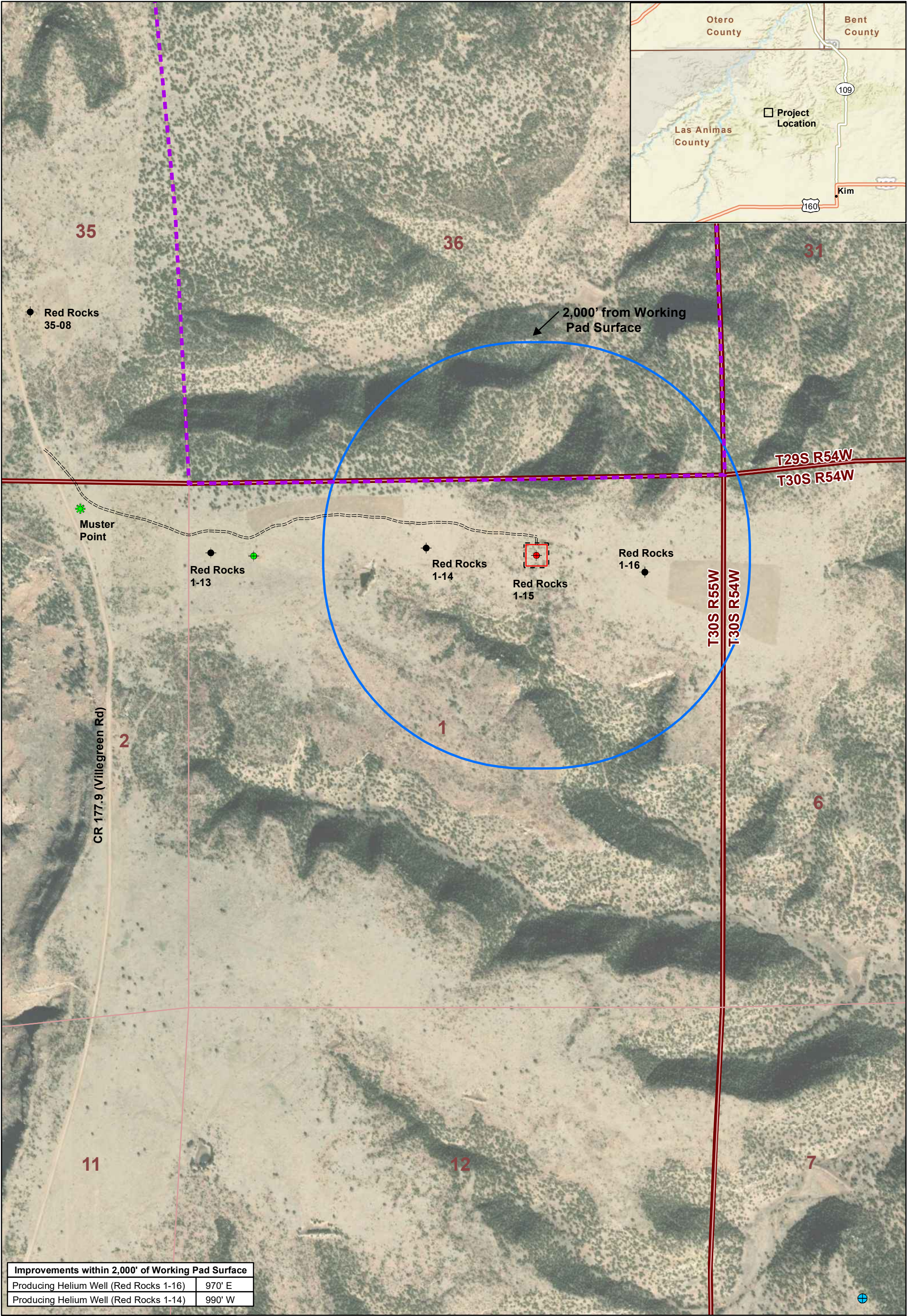
Appendix B

Locations



Red Rocks OGD (Approved)
1-13, 35-15
Red Rocks OGD Amendment 1 (Approved)
1-14, 1-16, 35-08, 35-11
Red Rocks OGD Amendment 2 (Proposed)
1-09, 1-15, 35-01, 35-08A, 35-10





Improvements within 2,000' of Working Pad Surface	
Producing Helium Well (Red Rocks 1-16)	970' E
Producing Helium Well (Red Rocks 1-14)	990' W

Aota Technical, LLC

Desert Eagle Operating, LLC

Red Rocks 1-15

Location Drawing

Las Animas County

NW¼NE¼ Sec.1, T30S R55W 6th P.M.

Date
1/31/24

Figure No.
Figure 1

Proposed Helium Gas Well

Plugged & Abandoned O&G Well

Producing Helium Gas Well

Water Well

Private Access Road

Working Pad Surface

Oil & Gas Location

2,000' from Working Pad Surface

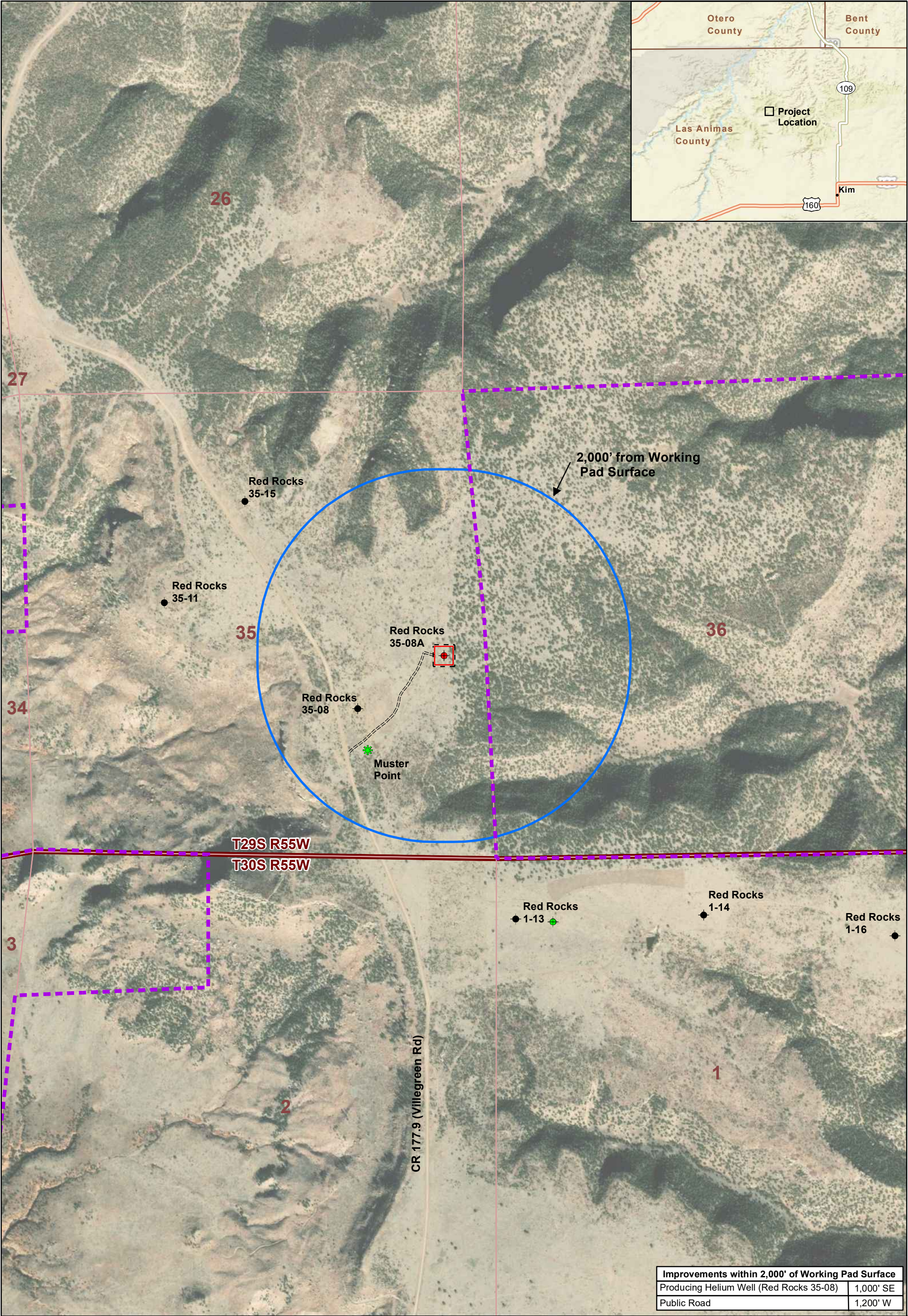
Property Line

03256501,300

Feet

N

North Arrow



Improvements within 2,000' of Working Pad Surface	
Producing Helium Well (Red Rocks 35-08)	1,000' SE
Public Road	1,200' W

Aota Technical, LLC

Desert Eagle Operating, LLC

Red Rocks 35-08A

Location Drawing

Las Animas County

NE¼SE¼ Sec.35, T29S R55W 6th P.M.

Date

1/31/24

Figure No.

Figure 1

●

Proposed Helium Gas Well

●

Plugged & Abandoned O&G Well

●

Producing Helium Gas Well

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Private Access Road

□

Working Pad Surface

□

Oil & Gas Location

○

2,000' from Working Pad Surface

□

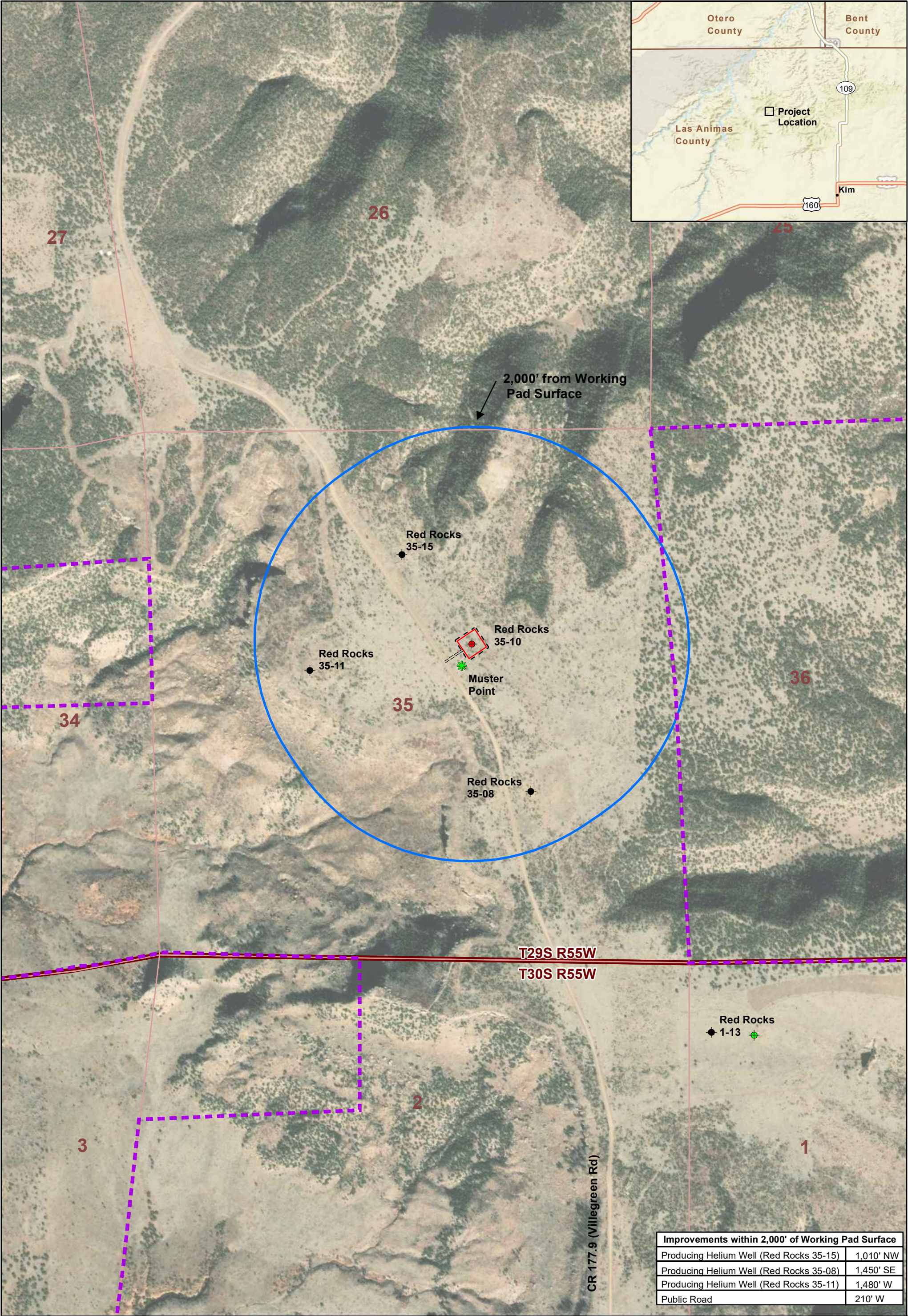
Property Line

N

03757501,500

Feet

Data Source:
ECMC GIS Online



Improvements within 2,000' of Working Pad Surface	
Producing Helium Well (Red Rocks 35-15)	1,010' NW
Producing Helium Well (Red Rocks 35-08)	1,450' SE
Producing Helium Well (Red Rocks 35-11)	1,480' W
Public Road	210' W

Aota Technical, LLC

Desert Eagle Operating, LLC

Red Rocks 35-10

Location Drawing

Las Animas County

SW¼NE¼ Sec.35, T29S R55W 6th P.M.

Date

1/31/24

Figure No.

Figure 1

Legend

●

Proposed Helium Gas Well

●

Plugged & Abandoned O&G Well

●

Producing Helium Gas Well

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Private Access Road

Working Pad Surface

Oil & Gas Location

2,000' from Working Pad Surface

Property Line

N

03256501,300

Feet

Data Source:
ECMC GIS Online

Appendix C

Representative Layout Drawings



SCALE: 1" = 30'
0' 15' 30'

- EXISTING 1' CONTOUR
- EXISTING 5' CONTOUR
- PROPOSED FLOWLINE
- EXISTING FLOWLINE
- WORKING PAD SURFACE
- OIL AND GAS LOCATION
- STRAW WATTLES
- WELLHEAD

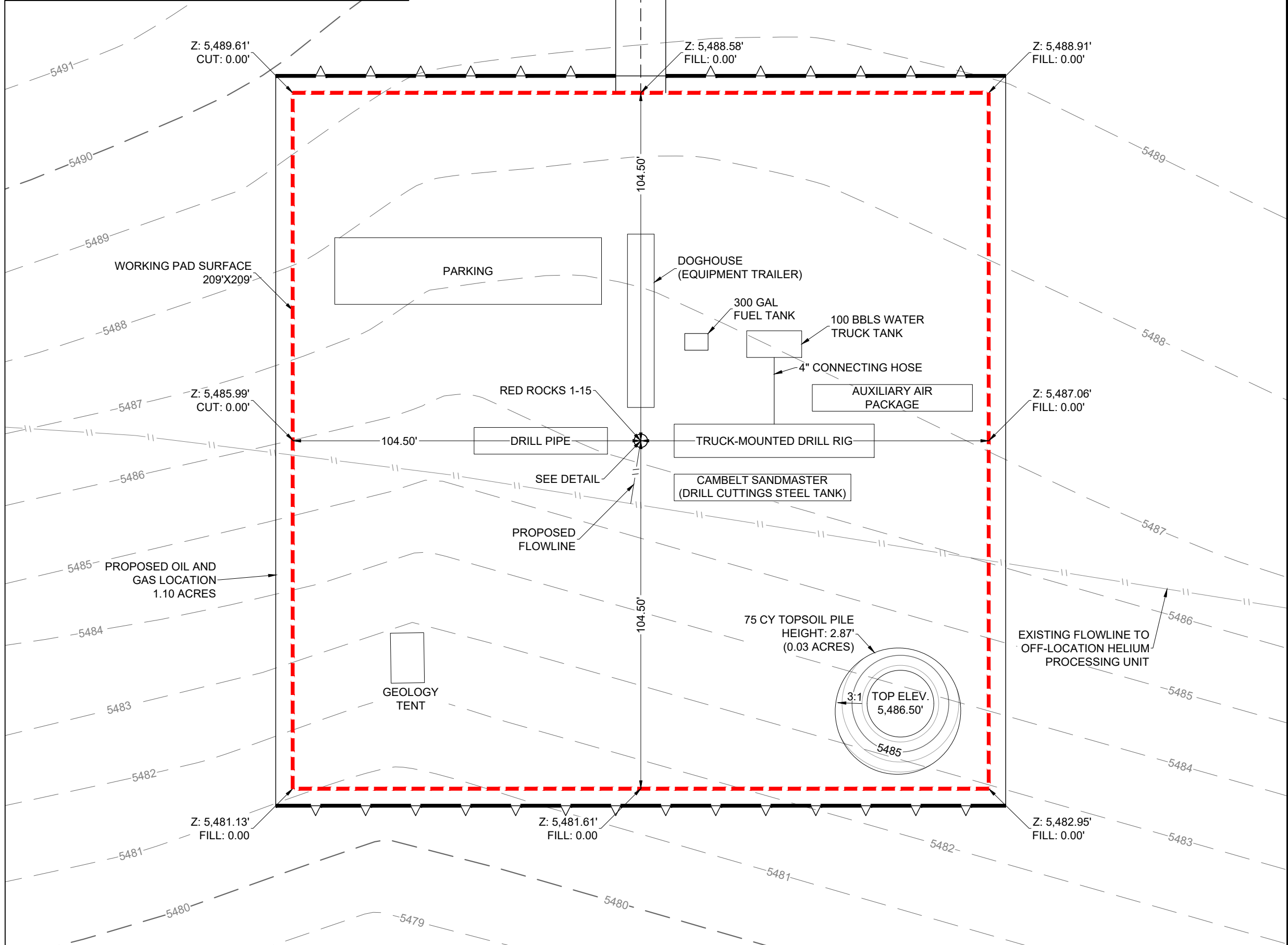
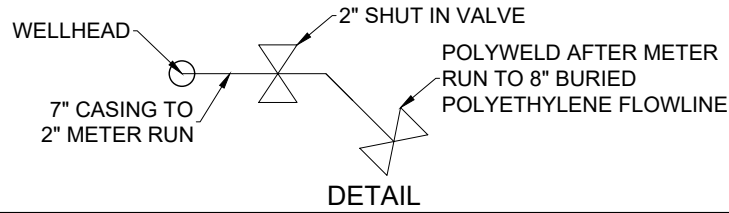
WELLHEAD ELEVATIONS
GRADED ELEVATION: 5,486.14'
UNGRADED ELEVATION: 5,486.14'

NOTES:

- 1.) THERE IS NO DISTINCTION BETWEEN PRELIMINARY DRILL RIG LAYOUT AND WELL COMPLETION LAYOUT FOR THIS DEVELOPMENT.
- 2.) THERE IS NO STIMULATION LAYOUT FOR THIS DEVELOPMENT.
- 3.) THERE IS NO FLOWBACK FOR THIS DEVELOPMENT.
- 4.) THE WELL WILL BE DRILLED WITH AIR. THERE WILL BE NO HYDRAULIC FRACKING, STIMULATION, OR FLOWBACK. THE WELL IS NOT ANTICIPATED TO PRODUCE WATER. FRESHWATER WILL BE USED FOR SURFACE DUST CONTROL.



DESERT EAGLE
— OPERATING —



PRELIMINARY DRILL RIG LAYOUT

RED ROCKS 1-15 LAS ANIMAS COUNTY
NW¹/₄ NE¹/₄ SECTION 1 T30S R55W 6TH P.M.

DESERT EAGLE OPERATING

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL ENGINEERING OR SURVEY DOCUMENT.

DATE:	02/08/2024	DRAWN BY:	GJU	REVIEWED BY:	CCC	SCALE:	1" = 30'	SHEET:	3 OF 4	REVISION:	XXX	XXX	XXX
											XXX/XX/XX	XXX/XX/XX	XXX/XX/XX

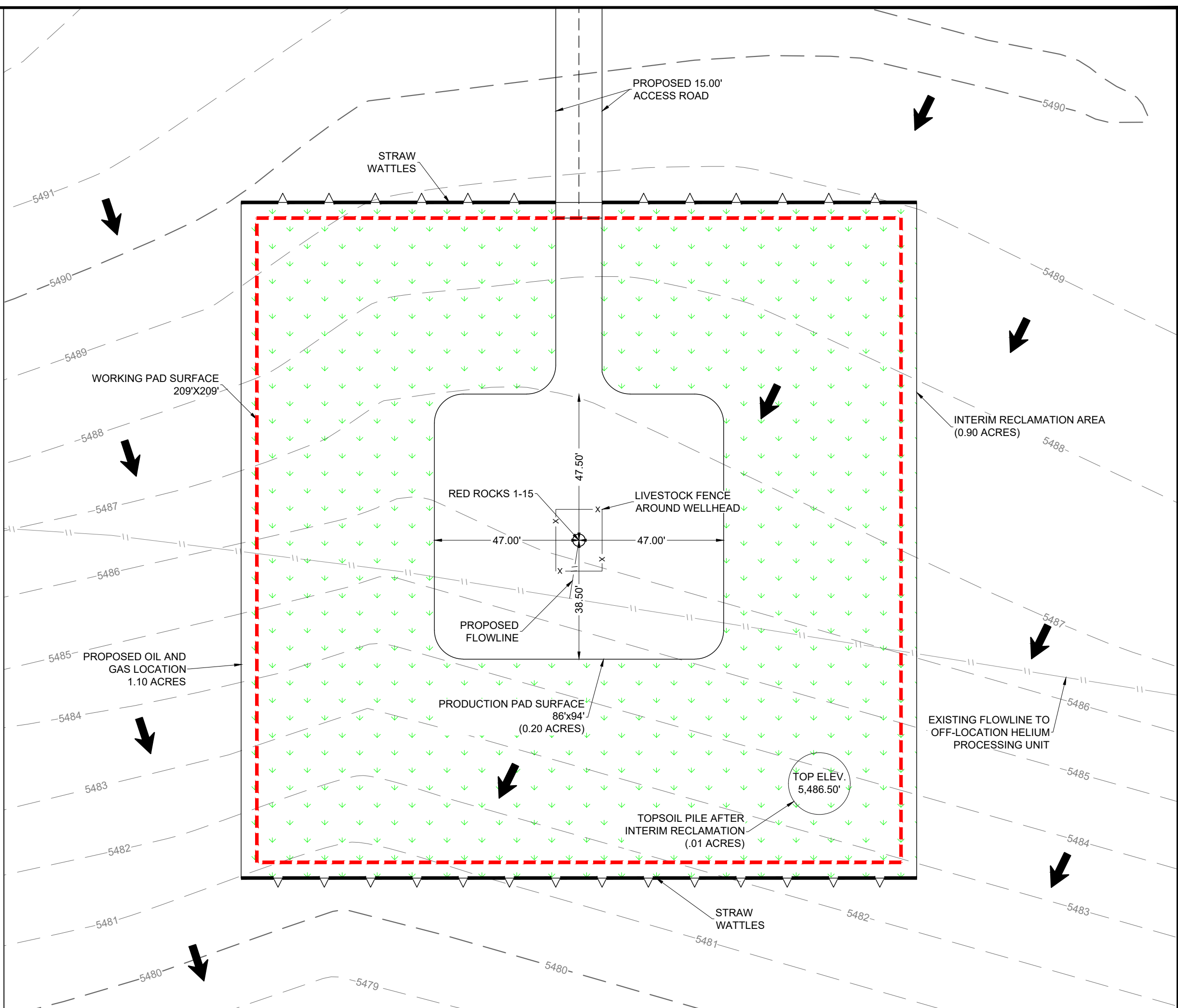


SCALE: 1" = 30'

- EXISTING 1' CONTOUR
- EXISTING 5' CONTOUR
- PROPOSED FLOWLINE
- EXISTING FLOWLINE
- WORKING PAD SURFACE
- OIL AND GAS LOCATION
- STRAW WATTLES
- LIVESTOCK FENCE
- WELLHEAD
- INTERIM RECLAMATION AREA
- DRAINAGE

WELLHEAD ELEVATIONS
GRADED ELEVATION: 5,486.14'
UNGRADED ELEVATION: 5,486.14'

DISTURBANCE ACREAGES:
OIL & GAS LOCATION (AC): 1.10
PRODUCTION PAD (AC): 0.20
INTERIM RECLAMATION (AC): 0.90
PROPOSED ACCESS ROAD (AC): 0.02



FACILITY LAYOUT

RED ROCKS 1-15 LAS ANIMAS COUNTY
NW¹/₄ NE¹/₄ SECTION 1 T30S R55W 6TH P.M.

DESERT EAGLE OPERATING

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL ENGINEERING OR SURVEY DOCUMENT.

DATE:	02/08/2024	DRAWN BY:	GJU	REVIEWED BY:	CCC	SCALE:	1" = 30'	SHEET:	4 OF 4	REVISION:	XXX	XXX	XXX
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