Bureau of Land Management Application for Permit to Drill Worksheet Saddle 34 Federal Com, Well No. 1 Lea County, New Mexico

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6. CIRCULATING MEDIA PROGRAM

A. Torch proposes to utilize the following mud system which will be visually monitored.

DEPTH	MW(PPG)	VISC.	PV	<u>YP</u>	<u>PH</u>	FLUID LOSS
0' - 500'	8.6 – 9.2	32-35	5-10	15-25	NC	NC
500' - 5000'	9.9 – 10.1	28-29	5-10	15-25	9.0 - 10.0	NC
5000' - 9000'	8.3 - 9.2	28-29	4-8	5-10	9.0 – 10.0	20 - 25
9000' - 11500'	9.2 - 9.5	28-29	4-8	5-10	9.0 – 10.0	20-25
11500' - 13000'	9.5 – 10.5	31-36	6-12	4-8	9.0 - 10.0	6-8

B. Air Drilling - Include the following information:

- 1. Length and location of blooie line, including automatic igniter or continuous pilot light.
- 2. Location of compressor equipment, including safety devices, and the distance from the wellbore.
- 3. Schematics showing deduster equipment and rotating head.
- 4. Amounts, types and characteristics of stand-by mud and circulating equipment.

TORCH OPERATING COMPANY DOES NOT PROPOSE TO DRILL THE SADDLE 34 FEDERAL COM WELL NO. 1 BY THE AIR METHOD.