19.15.12.11-DOWNHOLE COMMINGLING:

A. The director may grant an exception to 19.15.12.9 NMAC to permit the commingling of multiple producing pools in existing or proposed well bores when the following conditions are met.
(1) The fluids from each pool are compatible and combining the fluids will not damage the pools.
(2) The commingling will not jeopardize the efficiency of present or future secondary recovery operations in the pools to be commingled.

(3) The bottom perforation of the lower zone is within 150 percent of the depth of the top perforation in the upper zone and the lower zone is at or below normal pressure with normal pressure assumed to be 0.433 psi per foot of depth. If the pools to be commingled are not within this vertical interval, then evidence is required to demonstrate that commingling will not result in shut-in or flowing well bore pressures in excess of any commingled pool's fracture parting pressure. The fracture parting pressure is assumed to be 0.65 psi per foot of depth unless the applicant submits other measured or calculated pressure data acceptable to the division.

(4) The commingling will not result in the permanent loss of reserves due to cross-flow in the well bore.

(5) Fluid-sensitive formations that may be subject to damage from water or other produced liquids are protected from contact with the liquids produced from other pools in the well.

(6) If any of the pools being commingled is prorated, or the well's production has been restricted by division order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.

(7) The commingling will not reduce the value of the total remaining production.

(8) Correlative rights will not be violated.

BEFORE THE OIL CONVERSATION DIVISION Santa Fe, New Mexico Exhibit No. 10 Submitted by: WPX ENERGY Hearing Date: March 20, 2014