

- (ii) That there will be no crossflow between the zones to be commingled.
- (iii) That any zone which is producing from fluid-sensitive sands, which may be subject to damage from water or other produced liquids, is protected from contact from such liquids produced from other zones in the well.
- (iv) The fluids from each zone are compatible with the fluids from the other(s), and combining the fluids will not result in the formation of precipitates which might damage any of the reservoirs.
- (v) That ownership of the zones to be commingled is common (including working interest, royalty, and overriding royalty).
- (vi) The bottomhole pressure of the lower pressure zone is not less than 50 percent of the bottom hole pressure of the higher pressure zone adjusted to a common datum.

D. To obtain approval for downhole commingling, the operator of the well shall submit the following in DUPLICATE to the Division Director plus one copy to the appropriate District Office of the Division.

- (1) Name and address of the operator.
- (2) Lease name, well number, well location, name of the pools to be commingled.
- (3) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.
- (4) A current (within 30 days) 24-hour productivity test on Division Form C-116 showing the amount of oil, gas, and water produced from each zone.
- (5) A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes. (This requirement may be dispensed with in the case of a newly completed or recently completed well which has little or no production history. However, a complete resume of the well's completion history including description of treating, testing, etc., of each zone, and a prognostication of future production from each zone shall be submitted.)
- (6) Estimated bottomhole pressure for each artificially lifted zone. A current (within 30 days) measured bottomhole pressure for each zone capable of flowing.
- (7) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.
- (8) A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams.
- (9) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula.
- (10) A statement that all offset operators and, in the case of a well on federal land, the United States Bureau of Land Management, have been notified in writing of the proposed commingling.

E. The Division Director may approve the proposed downhole commingling in the absence of a valid objection within 20 days after the receipt of the application if, in his opinion, there is no disqualifying disparity of bottomhole pressures or other reservoir characteristics, waste will not result thereby, and