

Saskatchewan Industry and Resources PNG Guideline 9 May 2005

Application for Commingling of Gas Production Milk River/Medicine Hat/Second White Specks

- 1. Section 75 of *The Oil and Gas Conservation Regulations*, *1985* prohibits the commingling of production from one pool with that from another pool before measurement, without the approval of the minister. Approval to commingle production from two or more pools in a wellbore may be granted on application from the operator provided that:
 - (a) The mineral ownership and working interest ownership in the respective drainage units is common.
 - (b) The recompletion of a well does not result in more than one well producing from the same zone in a drainage unit, unless approved by a minister's order.
 - (c) The recompletion of a well does not result in a violation of the setbacks between wells producing from a common zone.
 - (d) The Second White Specks and Milk River/Medicine Hat zones have compatible producing characteristics such as similar pressures and no significant water production.
 - (e) The well has at least 6 months production from the Second White Specks and/or the Milk River/Medicine Hat zones and it is shown that one of the zones can not be produced if the zones are segregated.
- 2. The submission in support of an application to commingle production from two or more separate pools in a well shall contain, where possible:
 - (a) The production history of the well and estimated production rate for the well for the first month following commingling.
 - (b) A copy of the well logs over the productive interval showing the existing and proposed perforations, and any other applicable downhole information.
 - (c) Any additional pertinent data (lessee and lessor maps, well location maps, etc.)

3. Submit two (2) copies of each application to:

Engineering Services Branch Saskatchewan Industry and Resources 200 - 2101 Scarth Street Regina, Saskatchewan S4P 2H9

- 4. A separate Application to Plug Back, Abandon, Multizone Complete, Reclassify a Well (SIR-130) must be submitted to the appropriate SIR Field Office if new perforations or plugging of any existing perforations is proposed. Submission of a Well Activity Report (SIR-63) and a Supplementary Well Data Completion form (SIR-432) to the Regina office is required upon approval and completion of the necessary work.
- 5. The conditions of approval would be:
 - (a) The production must be continuously measured at the wellhead.
 - (b) If the well is suspended for more than 6 months, the well shall be abandoned or the Second White Specks isolated from the Milk River and Medicine Hat.
- 6. For further information contact Guiliang (David) Fan at (306) 787-8589 or Fred Ochieng at (306) 787-2600.