

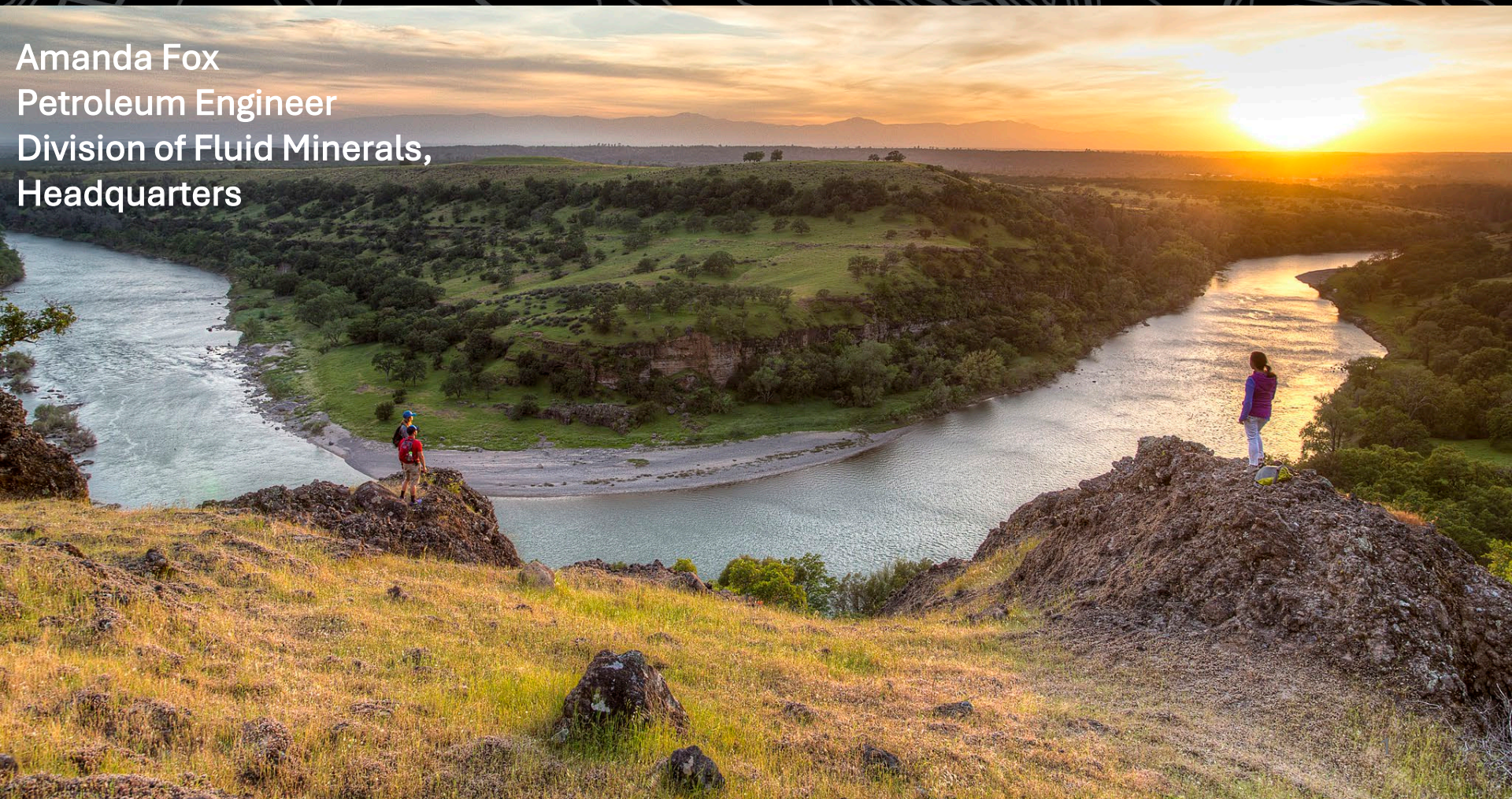


U.S. Department of the Interior
Bureau of Land Management

Commingling Rulemaking

September 17, 2026

Amanda Fox
Petroleum Engineer
Division of Fluid Minerals,
Headquarters





Overview

- Tribal Consultation
- What is Commingling?
- Commingling Benefits and Impacts
- One Big Beautiful Bill Act (PL 119-21)
- Commingling Rule Objectives and Tribal Consent
- Proposed Changes Based on Comments
- Next Steps
- Questions/Feedback



Tribal Consultation

- Bureau of Land Management (BLM) sent letters on December 18, 2025.
- Conducted consultation at the request of several tribes.
- Thanks to everyone who has provided feedback thus far.

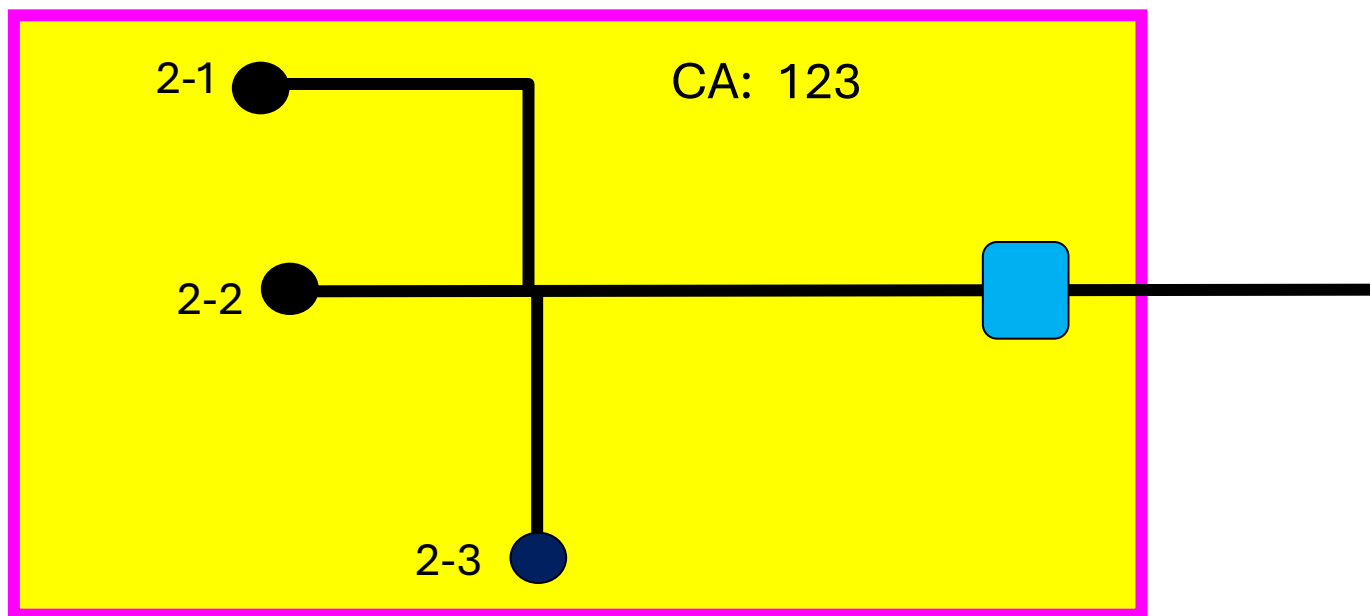


What is Commingling?

- Commingling is the process of combining production from multiple leases, or agreements before the product reaches the Facility Measurement Point (FMP).
- An FMP is a legally defined, location where oil or gas produced from federal or Indian leases (or participating units or communitized areas) is measured. This measurement impacts the reporting of production volumes or quality used in royalty calculations.
- Operators obtain BLM approval to commingle production, use accurate allocation methodologies to divide volumes among contributing sources, and ensure FMPs comply with BLM measurement standards (e.g., uncertainty, calibration, equipment).



Commingling is not occurring



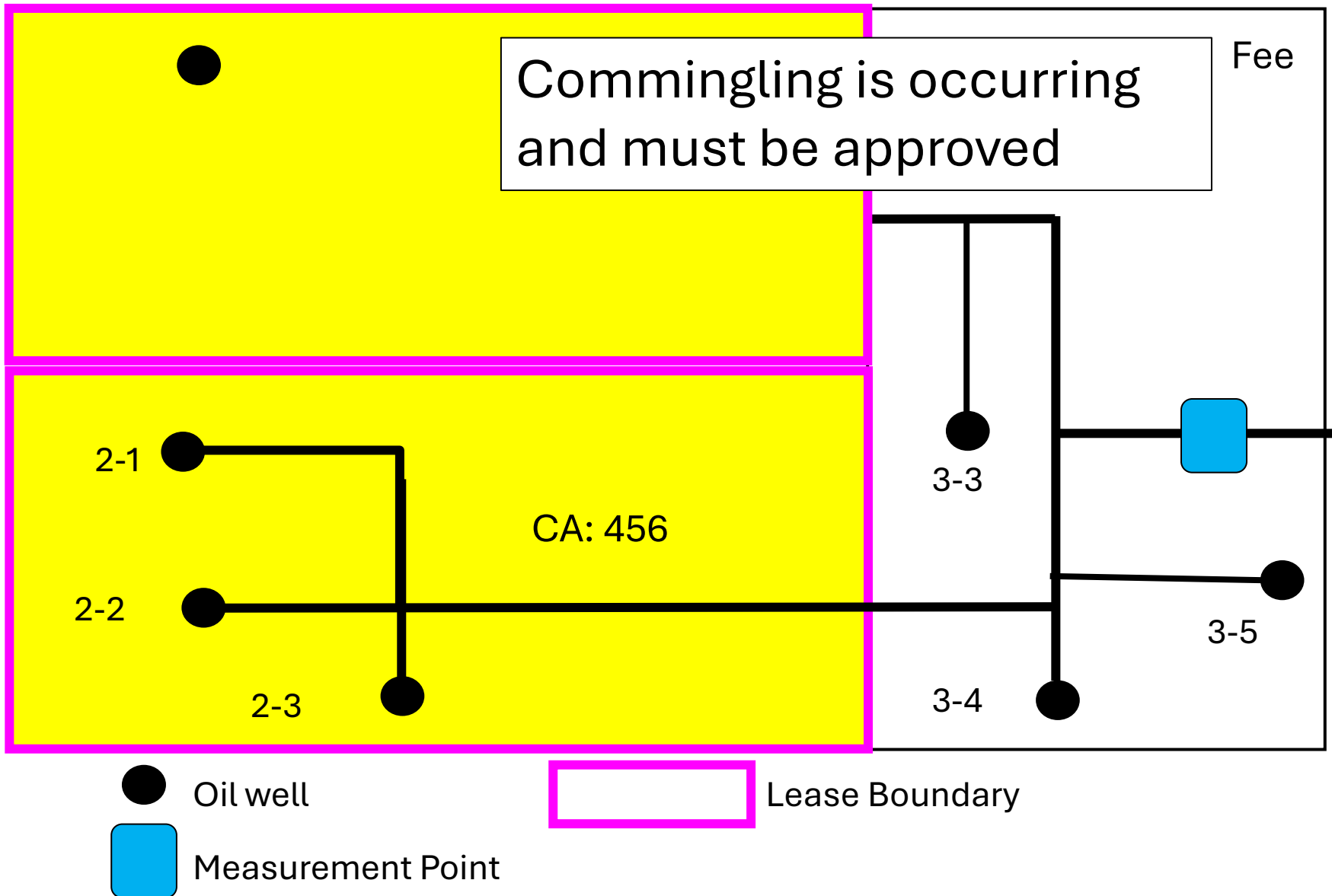
Oil well



Measurement Point



Lease Boundary





Commingling Benefits and Impacts

- **Benefits**

- Reduces well facility costs by reducing the number of required facilities.
- May prolong the economic life of wells.
- Environmental benefits from less land use.

- **Impacts**

- Royalty accountability.
- Jurisdictional challenges.



One Big Beautiful Bill Act (PL 119-21)

- Directs the Secretary of the Interior to approve applications that allow the commingling of production from two or more sources.
- Authorizes the Secretary to continue using discretion to approve commingling.



Commingling Rule Objectives

- Eliminates definitions that are no longer necessary.
- Clarifies the process for approving commingling and allocation methodologies.
- Outlines requirements and provides direction for applying commingling.
- Addresses existing commingling approvals.



What Was Proposed: Tribal Consent

- Required Bureau of Indian Affairs (BIA) to approve inclusion of production in commingling agreement.
- Allowed for commingling if it was authorized under tribal law or otherwise approved by the tribe.
- Required 100 percent Indian mineral owners to consent to commingling agreement.



Potential Changes (Based on Comments)

- Changes BIA approves to Indian mineral owner consents.
- Still allows for commingling if authorized under tribal law or otherwise approved by the tribe.
- Allows for commingling without consent when mineral ownership percentage and royalty rate are exactly the same (same as existing 3173.14).



Potential Changes (Based on Comments)

- Requires Indian mineral owner consent at the percentages in 25 U.S.C 2218(b) when mineral owner interest and/or royalty rate are not the same.

Number of Owners	Undivided Interest that Must Consent
5 or fewer	90%
6 to 10	80%
11 to 19	60%
20 or more	Majority (50%+)



Next Steps

- Tribal consultation is ongoing until the final rule is issued.
- To ensure that we consider your perspectives, we would appreciate any comments or requests for consultation by September 30, 2026.
 - Amanda Fox, afox@blm.gov, 907-538-2300



U.S. Department of the Interior
Bureau of Land Management

Questions/ Feedback