

TITLE 267 – NEBRASKA OIL AND GAS CONSERVATION COMMISSION

CHAPTER 3 – DRILLING, DEVELOPMENT, PRODUCING AND ABANDONMENT

**013 LOCATION OF WELLS**

- 013.01 No well drilled for oil or gas in or adjacent to presently producing pools shall be drilled at a location within a legal subdivision which varies substantially from the established locations within legal subdivisions of a majority of the wells in the pool or which will result in a spacing unit for such wells substantially different from that attributable to the established wells in the pool.
- 013.02 All wells drilled to sources of supply at estimated depths in excess of two thousand five hundred (2500) feet for which no spacing pattern has been established by existing wells shall be drilled on 40-acre legal subdivisions or equivalent lots and not less than five hundred (500) feet from the boundaries of said legal subdivisions. The Director or authorized agent may administratively approve an exception to the requirements hereof where topographical conditions, irregular sections or geological conditions make the drilling of a well at the regular location impractical, provided that the owners, as defined in the Act, within a distance of five hundred (500) feet from the proposed well file with the Director or authorized agent a waiver of objection, or consent in writing, agreeing to said exception; provided further, that a well drilled under the terms of such waiver, or consent, shall be subject to such production limitations as may be necessary to protect correlative rights.
- 013.03 All wells drilled to sources of supply at estimated depths of two thousand five hundred (2500) feet or less for which no spacing pattern has been established by existing wells shall not be drilled closer than three hundred (300) feet from the boundaries of a 40-acre legal subdivision or equivalent lot.
- 013.04 Upon the receipt, by the Commission, of an application from any person requesting the establishment of special field rules for spacing of wells within a designated area, all or a portion of which is not then subject to special field rules, or upon decision by the Commission to call a hearing for the establishment of such special field rules, application for permits to drill within such area will be held in abeyance by the Commission until such time as the matter has been fully heard and determined; and no further permits to drill within the area designated in the application shall be issued until such determination has been made. Notwithstanding the provisions above, a permit shall be issued if an owner demonstrates to the satisfaction of the Director that a loss of his leasehold will result or that

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significant drainage may occur if approval of drilling is withheld. However, in event a permit is issued, the permit to drill shall authorize a location for the proposed well which conforms as nearly as practicable to the pattern proposed in each application or petition then on file with the Commission for spacing within the designated area.

013.05 The foregoing spacing restrictions shall not apply to approved unit operations or authorized secondary recovery projects or stratigraphy test holes drilled for geologic storage, or to any field where the Commission, after notice and hearing, ordered a different spacing pattern in special field rules.