

Chapter 1501:9-1 Oil Well Drilling

1501:9-1-04 Spacing of wells.

(A) General spacing rules:

- (1) The division of oil and gas resources management shall not issue a permit for the drilling of a new well, the reopening of an existing well, or the deepening or plugging back of an existing well to a different pool for the production of oil and gas unless the proposed well location and spacing conform to the requirements of this rule.
- (2) This rule shall not apply to any wells drilled in areas under special order from the chief for pool spacing pursuant to section 1509.25 of the Revised Code. The chief shall grant an exception to the requirements of any special order from the chief for pool spacing pursuant to section 1509.25 of the Revised Code, if an applicant can demonstrate that such exception will protect correlative rights and/or promote conservation by permitting oil and/or gas to be produced which could not otherwise be produced.
- (3) Upon receipt of an application by the division, the chief shall determine if the proposed depth is reasonable to penetrate the objective geological formation or geological zone. If the chief determines that the proposed depth is insufficient to penetrate the proposed geological formation or zone and that, because of the insufficient proposed depth, the spacing and acreage requirements under paragraph (C) of this rule are not fulfilled, the permit shall be denied. No well shall be drilled deeper than the proposed depth without prior permission from the chief.
- (4) A permit shall not be issued unless the drilling unit for the proposed well satisfies the acreage requirements for the anticipated deepest depth at which oil and gas will be produced. If oil or gas is produced at a lesser depth than the geological formation or zone for which the permit was issued, the acreage requirements may be changed to conform with paragraph (C) of this rule by submitting an application to the chief for a revision.

(B) Scope:

Paragraph (C) of this rule applies to the drilling of a new well, the reopening of an existing well, and the deepening or plugging back of an existing well regardless of its depth or the producing geological formation or zone except in areas under temporary minimum well spacing orders of the chief pursuant to paragraph (D) of this rule. All drilling units shall be compact and composed of contiguous land.

(C) Location of wells:

- (1) No permit shall be issued to drill, deepen, reopen, or plug back a well for the production of oil and gas from a pool from zero to one thousand feet in depth unless the proposed well is located:

- (a) Upon a drilling unit containing not less than one acre;
 - (b) Not less than two hundred feet from any well drilling to, producing from, or capable of producing from the same pool; and
 - (c) Not less than one hundred feet from any boundary of the drilling unit.
- (2) No permit shall be issued to drill, deepen, reopen, or plug back a well for the production of oil or gas from a pool greater than one thousand feet in depth to two thousand feet in depth unless the proposed well is located:
- (a) Upon a drilling unit containing not less than five acres;
 - (b) Not less than four hundred sixty feet from any well drilling to, producing from, or capable of producing from the same pool; and
 - (c) Not less than two hundred thirty feet from any boundary of the drilling unit.
- (3) No permit shall be issued to drill, deepen, reopen, or plug back a well for the production of oil or gas from a pool greater than two thousand feet in depth to four thousand feet in depth unless the proposed well is located:
- (a) Upon a drilling unit containing not less than ten acres;
 - (b) Not less than six hundred feet from any well drilling to, producing from, or capable of producing from the same pool; and
 - (c) Not less than three hundred feet from any boundary of the drilling unit.
- (4) Except as otherwise provided in paragraph (C)(5) of this rule, no permit shall be issued to drill, deepen, reopen, or plug back a well for the production of oil or gas from a pool greater than four thousand feet in depth unless the proposed well is located:
- (a) Upon a drilling unit containing not less than twenty acres;
 - (b) Not less than one thousand feet from any well drilling to, producing from, or capable of producing from the same pool; and
 - (c) Not less than five hundred feet from any boundary of the drilling unit.
- (5) The minimum distance to any boundary of the drilling unit for a well drilled in which the wellbore reaches a horizontal or near horizontal position to any formation shall be determined from the take points along the wellbore.

(6) (a) No permit shall be issued to drill a horizontal well for the production of oil and gas unless all of the following apply:

- i) Except as otherwise provided in paragraph (C)(6)(a)(ii), the perpendicular distance from any take point is not less than four hundred feet from any drilling unit boundary.
- ii) The first and last take points are not less than one hundred fifty feet from the drilling unit boundary that is approximately perpendicular to the well bore.

(b) There is no minimum distance required between horizontal wells within the same drilling unit. However, if adverse communication between one or more wells occurs in a drilling unit, the chief may require minimum distances between an existing horizontal well in that drilling unit and a new horizontal well in that drilling unit or between all new horizontal wells in that drilling unit.

(7) The distance from any take point of an as-drilled horizontal well may deviate up to ten percent of the distances specified in paragraph (C)(6)(a) of this rule to the nearest drilling unit boundary.

(8) Wells drilled, deepened, reopened, reworked, or plugged back for purposes other than the production of oil and gas will be considered as special situations, and each well will be evaluated in accordance with the issues of conservation of natural resources and of protection of public health and safety. Decisions as to spacing of such wells will be determined after evaluation of the special circumstances.

(D) Temporary minimum well spacing in the vicinity of discovery wells:

(1) For the purpose of orderly development of a pool until such time as final spacing is determined, the chief, on the chief's own motion or upon consideration of an application by an owner in an affected area, and with approval of the technical advisory council, may order temporary well spacing for a well to be drilled, deepened, reopened or plugged back to a particular pool or field in an area in the vicinity of a discovery well. Such order shall contain all of the following:

- (a) A description of the area covered by the order;
- (b) An identification of the pool, field or geologic formations covered by the order;
- (c) The minimum distance wells may be drilled from the tract or drilling unit boundaries;
- (d) The minimum distance between wells;
- (e) The minimum acreage for tracts or drilling units;

(f) The order may contain other requirements deemed necessary by the chief to accomplish the purpose of paragraph (D) of this rule.

(2) An order of the chief for temporary minimum well spacing in the vicinity of a discovery well shall be effective on the date the order is made and shall continue in effect until it is either rescinded or amended by the chief or until such time as an order for special drilling unit requirements is made by the chief after a hearing pursuant to section 1509.25 of the Revised Code.

(3) No well shall be drilled, deepened, reopened, or plugged back to or below the particular pool or field located in the area covered by an order of the chief under paragraph (D) of this rule unless the requirements of such order are satisfied. Permits issued prior to the effective date of such order for wells to be located in the area and to or below the pool covered by such order that do not comply with the requirements of the order and where actual drilling operations have not commenced, shall be revoked.

(E) Offset wells - spacing exception:

(1) The chief shall grant an exception to the requirements of paragraph (C) of this rule to an applicant who demonstrates that the well proposed for production of oil or gas will be an offset to a well drilled or commenced before the effective date of paragraph (C) of this rule that is producing or may be capable of producing on an adjacent tract, and that is so located on said adjacent tract as not to comply with any one or more of the requirements of paragraph (C) of this rule.

(2) The chief may grant an exception to the requirements of paragraph (C) of this rule if an applicant can demonstrate that such an exception will protect correlative rights and/or promote conservation by permitting oil and gas to be produced that could not otherwise be produced.

(3) A well proposed to be drilled pursuant to such exceptions shall, nevertheless, be subject to the requirements of rule 1501:9-1-05 of the Administrative Code.

(F) Transfer of wells and revision of drilling units:

The requirements of paragraph C of this rule, as applicable, apply to the transfer of a well that is not an exempt domestic well and to a revision of a drilling unit.