

FINAL VERSION

ARKANSAS OIL AND GAS COMMISSION
PROPOSED RULE CHANGE

RULE B-3 - SPACING OF WELLS

- A. The spacing of wells in proven oil and gas fields, or in areas that the Commission may designate, shall be governed by special rules for that particular field or area, adopted after notice and hearing.
- B. The well location for a well drilled for oil or gas production in an exploratory unit established by Commission Order shall not be located closer than 280 feet from the unit line.
- C. The following applies to all wildcat well locations:
 - (1) The well location for a wildcat well drilled for oil or gas production purposes, within an area not covered by Field Rules, shall not be located closer than 280 feet from a quarter, quarter division line within a governmental section.
 - (2) The well location for a wildcat well, drilled for the purposes of oil or gas production, within an area subject to Field Rules, but proposed to be drilled to a geologic formation for which Field Rules have not been established shall be subject to the set back provisions specified in C (1) above.
- D. The well location for a well drilled for oil or gas production purposes, and completed in pools in field(s) where Field Rules do not exist for these uncontrolled pools, shall not be located closer than 280 feet from the nearest mineral lease line.
- E. The well location for wells drilled or completed for injection or disposal purposes shall be located 280 feet from a unitized boundary line for an injection well and 280 feet from a quarter, quarter or section line for a disposal well.
- F. The well location for wells drilled for the purposes of water supply for purposes of enhanced oil recovery are subject to all the provisions of this rule with the exception of the set back provisions for well location. No production of hydrocarbons will be allowed from a water supply well.
- G. The Commission may, after notice and hearing, grant exceptions to this rule, provided such exceptions will create neither waste nor hazards conducive to waste. No well drilled in violation of this rule without special permit obtained in the manner prescribed in said rule and no well drilled under such a special permit, which does not conform to the terms of such special permit in all respects, shall be permitted to produce either oil or gas and any such well so drilled in violation of said rule or in violation of a permit granted under an exception to such rule shall be plugged.