

Effective 5/12/2015

40-6-6 Drilling units -- Establishment by board -- Modifications -- Prohibitions.

- (1) The board may order the establishment of drilling units for a pool.
- (2) Within each drilling unit, only one well may be drilled for production from the common source of supply, except as provided in Subsections (6) and (7).
- (3) A drilling unit may not be smaller than the maximum area that can be efficiently and economically drained by one well.
- (4)
 - (a) Each drilling unit within a pool shall be of uniform size and shape, unless the board finds that it must make an exception due to geologic, geographic, or other factors.
 - (b) If the board finds it necessary to divide a pool into zones and establish drilling units for each zone, drilling units may differ in size and shape for each zone.
- (5) An order of the board that establishes drilling units for a pool shall:
 - (a) be made upon terms and conditions that are just and reasonable;
 - (b) include all lands determined by the board to overlay the pool;
 - (c) specify the acreage and shape of each drilling unit as determined by the board; and
 - (d) specify the location of the well in terms of distance from drilling unit boundaries and other wells.
- (6) The board may establish a drilling unit and concurrently authorize the drilling of more than one well in a drilling unit if the board finds that:
 - (a) engineering or geologic characteristics justify the drilling of more than one well in that drilling unit; and
 - (b) the drilling of more than one well in the drilling unit will not result in waste.
- (7) The board may modify an order that establishes drilling units for a pool to provide for:
 - (a) an exception to the authorized location of a well;
 - (b) the inclusion of additional areas which the board determines overlays the pool;
 - (c) the increase or decrease of the size of drilling units; or
 - (d) the drilling of additional wells within drilling units.
- (8)
 - (a) After an order establishing drilling units has been entered by the board, the drilling of a well into the pool at a location other than that authorized by the order is prohibited.
 - (b) The operation of a well drilled in violation of an order fixing drilling units is prohibited.

Amended by Chapter 44, 2015 General Session