This rule was filed as Rule G-104.

TITLE 19 NATURAL RESOURCES AND WILDLIFE

CHAPTER 14 GEOTHERMAL POWER

PART 23 WELL SPACING

19.14.23.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box

2088, Santa Fe, New Mexico.

[Recompiled 12/31/01]

**19.14.23.2 SCOPE:** [RESERVED]

[Recompiled 12/31/01]

**19.14.23.3 STATUTORY AUTHORITY:** [RESERVED]

[Recompiled 12/31/01]

**19.14.23.4 DURATION:** [RESERVED]

[Recompiled 12/31/01]

**19.14.23.5 EFFECTIVE DATE:** [November 15, 1983]

[Recompiled 12/31/01]

**19.14.23.6 OBJECTIVE:** [RESERVED]

[Recompiled 12/31/01]

**19.14.23.7 DEFINITIONS:** [RESERVED]

[Recompiled 12/31/01]

## 19.14.23.8 CLASSIFICATION OF WELLS:

- A. Any well, other than a thermal gradient well, a geothermal observation well or a low-temperature thermal well, which is drilled a distance of one mile or more outside the boundary of any defined geothermal field and a distance of one mile or more beyond any well which is within one mile of such field, shall be classified as an exploratory well, and as such shall be spaced, drilled, operated and produced in accordance with these Geothermal Rules and Regulations.
- B. Any well, other than a thermal gradient well, a geothermal observation well or a low-temperature thermal well, which is not an exploratory well as defined above shall be classified as a development well, unless such well is being drilled for injection or disposal purposes, in which case it will be appropriately classified.
- C. Any well classified as a development well or injection or disposal well within a given geothermal field shall be drilled, operated and produced in accordance with these Geothermal Rules and Regulations unless special rules in conflict therewith have been promulgated for such field, said special rules then being applicable. [Recompiled 12/31/01]

## 19.14.23.9 ACREAGE AND WELL LOCATION REQUIREMENTS:

- A. Exploration wells. A well classified as an exploratory well shall be located on a designated drilling tract comprising at least 40 surface acres (being a quarter-quarter section of the U. S. public land surveys, or a projection thereof if on unsurveyed land), and shall be located at least 330 feet from the outer boundary of the quarter-quarter section, at least 660 feet from the nearest such other well drilling to or capable of producing from or injection into the same formation to which it is projected, and at least 100 feet from any public road, street or highway dedicated prior to commencement of drilling.
- B. Development wells. A well classified as a development well shall be located on a designated drilling tract comprising at least 10 surface acres (being a quarter-quarter-quarter section of the U.S. public land surveys or a projection thereof if on unsurveyed land), and shall be located at least 165 feet from the outer boundary of the quarter-quarter section, at least 330 feet from the nearest well drilling to or capable of production from or injection into the same geothermal reservoir to which it is projected, and at least 100 feet from any public road, street or highway dedicated prior to commencement of drilling.

19.14.23 NMAC

- C. Injection wells. Injection wells drilled for the purpose of injecting into a geothermal reservoir shall be located at least 330 feet from the outer boundary of the lease or drilling parcel and at least 100 feet from any public road, street or highway dedicated prior to commencement of drilling.
  - D. Disposal wells. There shall be no restriction as to the placement of geothermal disposal wells.
- E. Thermal gradient wells and low-temperature thermal wells. There shall be no restriction as to the placement of thermal gradient wells or low-temperature thermal wells. [Recompiled 12/31/01]

## 19.14.23.10 NON-STANDARD LOCATIONS:

- A. The division director shall have the authority to grant an exception to the well location requirements of Rules B (1), (2), and (3) [now Subsections A, B and C of 19.14.23.9 NMAC] above without notice and hearing when such application is based upon topographical or geologic or engineering considerations.
- B. Applications for such administrative approval shall be filed in duplicate and shall be accompanied by a plat showing the ownership of surrounding lands (within a 990-foot radius of the proposed location if application is for exception to Rule G-104 B (1) [now Subsection A of 19.14.23.9 NMAC] exploration wells; within a 495-foot radius of the proposed location if application is for exception to Rule G-104 B (2) [now Subsection B of 19.14.23.9 NMAC] development wells; within a 990-foot radius of the proposed location if application is for exception to Rule G-104 B (3) [now Subsection C of 19.14.23.9 NMAC] injection wells; and all drilling or completed wells thereon. If the proposed non-standard location is based upon topography, the plat shall also show the existent topographical conditions. If it is based upon geologic or engineering considerations, the application shall be accompanied by a geologic or engineering analysis, explaining the necessity for the non-standard location.
- C. A copy of the application and accompanying plats and documents shall also be sent to the other owners, if any there be, within the above prescribed radii of the proposed non-standard location and the application shall state that such required copies have been so furnished. The division director may approve the non-standard location upon receipt of waivers from the above other owners or if no such other owner has entered an objection to the non-standard location within 20 days after receipt of the application by the division. If such objection is received, the matter will be set for hearing if the applicant so desires. If the director is not convinced of the necessity or desirability of such exception, he may require supplemental information to justify the exception, or set the matter for hearing if the applicant so desires.

  [Recompiled 12/31/01]

**19.14.23.11 OFFSETTING ACTION:** Whenever an exception to the well location requirements is granted, the division after hearing may take such action as may be necessary to offset any advantage the person securing the exception may gain over other owners within the same geothermal reservoir. [Recompiled 12/31/01]

**19.14.23.12 SPECIAL ACREAGE AND WELL LOCATION REQUIREMENTS:** In order to prevent waste and protect correlative rights, the division may, after notice and hearing, adopt different well location requirements and greater or lesser acreage dedication requirements than those contained in Rules G-104 B (1), (2), and (3) [now Subsections A, B and C of 19.14.23.9 NMAC] above for a particular geothermal reservoir and may adopt special well location and acreage dedication requirements for a particular low-temperature thermal field. [Recompiled 12/31/01]

## **HISTORY OF 19.14.23 NMAC:**

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-104, Well Spacing, 11/1/83.

History of Repealed Material: [RESERVED]

19.14.23 NMAC 2