

INDUSTRY BULLETIN 2017-26

Dec. 21, 2017



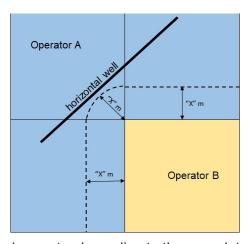
Clarification of Bordering Well Placement in Unconventional Zones

EFFECTIVE DATE: IMMEDIATELY

The BC Oil and Gas Commission is clarifying rules for operators regarding the subsurface placement of wells for reservoir development that border another operator's subsurface tenure in Unconventional Zones.

As stated in Sections 6(6) and 7(6) of the Drilling and Production Regulation, the *completed portion* of a wellbore in Unconventional Zones must not be closer to another operator's subsurface tenure than the minimum distances listed in Schedule 2 of the Regulation.

The figure below illustrates a case where Operator A has the subsurface tenure for three areas bordering Operator B. The appropriate buffer distance from competitive tenure, listed in Schedule 2, is marked as "X". The boundary corner in this case can be measured as an arc.



Please note the buffer distance requirement only applies to the *completed portion* of the well.

For more details on well spacing and target area considerations, please see the <u>Reservoir Management</u> web page or email <u>reservoir@bcogc.ca</u>.

Should you have any questions regarding this Industry Bulletin, please contact:

Ron Stefik, Eng.L.
Supervisor, Reservoir Engineering
BC Oil and Gas Commission
Ron.Stefik@bcogc.ca
250-419-4430