

NEBRASKA

Administration

1. Agency regulating oil and gas exploration/production:
[Nebraska Oil and Gas Conservation Commission](#), P.O. Box 399, Sidney, NE 69162. Phone: (308) 254-6919. Web site <http://www.nogcc.ne.gov>.
2. Contacts for regulatory updates: Bill Sydow, Director; Stan Belieu, Deputy Director.
3. Docketing procedure: Hearings held on fourth Tuesday of each month. Application must be received 21 days prior to hearing date. Original and six copies must be filed.
 - a. Emergency orders: Yes. Order is effective upon promulgation but shall remain effective until heard at next scheduled Commission hearing.
 - b. Notice: Fifteen (15) calendar days prior to hearing. Applicant is responsible to notice parties by certified mail and the Commission publishes its notice in the legal newspaper published or read in the county.
4. Agency regulating air emissions: [Nebraska Department of Environmental Quality](#), P.O. Box 98922, Lincoln, NE, 68509-8922.
5. Agency regulating water quality: [Nebraska Department of Environmental Quality](#), P.O. Box 98922, Lincoln, NE, 68509-8922.

License

1. License required: N/A
2. Conditions of license: N/A

Bond/Surety

1. Purpose of surety: To ensure each well is plugged and abandoned and the location is returned to former use.
2. Plugging and restoration: Required before bond is released.
3. Compliance bond required: Yes.
4. Types of surety accepted: Insurance or Certificate of Deposit.

5. Conditions of bond:
 - a. Amount per well: Currently \$5,000 but will increase to \$10,000.
 - b. Amount of blanket bond: Currently \$25,000 but will increase to \$100,000.

Land Leasing Information

1. Leasing method: Nominated by interested parties prior to sale and then oral bids at public auction.
2. Notice method: Noticed by mailing to parties and public notice for two consecutive weeks in legal newspapers which are either published or generally read in the county where the land to be leased is situated.
3. Minimum bidding \$ (per acre): If the land is located in a county and there is no oil and gas production, the minimum bid is \$1 per net mineral acre and a 1/8 royalty; if the land is located in a county and there is oil and gas production, the minimum bid is \$2 per net mineral acre and 1/6 royalty.
4. Qualification of the bidder: Must post bond prior to award of lease.
5. State statutes: Nebraska Revised Statutes [23-3109](#); [23-3110](#); and [57-220](#).
6. Maximum acres: 640 acres.
7. Royalty rates: Variable by county. 1/8 to 1/6
8. Agency in control of leasing: [Board of Educational Lands and Funds](#), 555 North Cotner Blvd., Lincoln, NE 68505-2353. Telephone: (402) 471-2014. Ms. Laura Bahr-Frew, Minerals Administrator.

Setbacks

In Nebraska, we do not have any rules pertaining to set backs from any structures. The reality is that you probably wouldn't get closer than 200' because of the size of a location doesn't really allow for it. We do take a look at the surrounds of a well and do ask that an operator be considerate of neighbors. I have seen set backs addressed in oil and gas leases.

Spacing

1. Spacing requirements
 - a. Density: 40-acres per well statewide.

- b. Lineal: No closer than 500 feet to 40-acre legal subdivision line for oil or gas wells deeper than 2,500'. No closer than 300 feet to 40-acre legal subdivision for wells less than 2,500'.

2. Exceptions

- a. Basis: Topographical, irregular sections, geological or geophysical considerations.
- b. Approval: Administrative if all owners within 500 feet of proposed well approve, or by public hearing. Production may be limited to protect correlative rights.

Pooling

- 1. Authority to establish voluntary: Yes.
- 2. Authority to establish compulsory: Yes.

Unitization

- 1. Compulsory unitization of all or part of a pool or common source of supply: Yes.
- 2. Minimum percentage of voluntary agreement before approval of compulsory unitization:
 - a. Working interest: 65%
 - b. Royalty interest: 75%

Drilling Permit

- 1. Permits required for:
 - a. Drilling a producing or service well: Yes. [Rule 3.003](#).
 - b. Seismic drilling: Yes. [Rule 3.002](#).
 - c. Recompletion: No, but new Form 5, Well Completion, required.
 - d. Plugging and abandoning: Yes.
- 2. Permit fee:
 - a. Drilling: \$200. No fee for injection wells.
 - b. Seismic drilling: None.
 - c. Recompletion: None.

- d. Plugging and abandoning: \$100 for cased wells. None for dry holes. [Rule 3.028.](#)
- 3. Require filing report of work performed: Yes. [Rules 3.006 and 007.](#)
- 4. Sundry notices used: Notice of Intent to Plug and Abandon, Form 4.

Vertical Deviation

- 1. Regulation requirement: Yes. [Rule 3.014.](#)
 - a. When is a directional survey necessary: Required when any well is intentionally deviated from vertical. Directional plan required for initial approval of well and final directional survey required upon completion of well.
 - b. Filing of survey required: Yes, thirty (30) days after work is performed.
 - c. Format of filing: Accurate and complete copy of the directional survey as approved by Director.

Casing and Tubing

- 1. Minimum amount required:
 - a. Surface casing: Through potable fresh-water aquifers; variable by location of well.
 - b. Production casing: No.
- 2. Minimum amount of cement required:
 - a. Surface casing: Cement to surface.
 - b. Production casing: No.
 - c. Setting time: Yes. Five hundred (500) psi compressive strength.
- 3. Tubing requirements:
 - a. Oil wells: No.
 - b. Gas wells: No.

Hydraulic Fracturing

- 1. Permitting:

- a. Before drilling: No.
 - b. Before fracing: No.
 - c. How long before: N/A
2. Reporting requirements: Yes.
- a. Where reported: Form 5, Well Completion or Re-completion Report, and also will be posted to the [FracFocus Chemical Disclosure Registry](#).
 - b. When reported: Within 60 days after stimulation performed.
3. Source water requirements: None.
4. Mechanical integrity:
- a. Cementing log required: No.
 - b. Pressure testing: Yes. Prior to stimulation.
 - c. Pressure monitoring: Yes. Two annular spaces if applicable.
 - d. Blowout preventer required: No.
5. Disposal of flowback fluids:
- a. Retaining pits: Yes.
 - b. Tanks: Yes.
 - c. Approved discharge to surface water: No.
 - d. Underground injection: Yes.
6. Chemical disclosure requirement:
- a. Mandatory: Yes. [New proposed Rule 3.043](#)
 - b. Where disclosed: [FracFocus Chemical Disclosure Registry](#).
 - c. When disclosed (pre-fracing, post-fracing, both): Post-stimulation.
 - d. Time limit to disclose: Sixty (60) days after stimulation.
 - e. Information required to be disclosed: All elements of stimulation fluid.
 - f. Trade secret protection: Yes. [Proposed Rule 3.044](#).

- g. Required disclosure to health/emergency personnel: Yes. [Proposed Rule 3.044.](#)

Underground Injection

- 1. Agencies that control the underground injection of fluid by well class: Nebraska Oil and Gas Conservation Commission, Class II. Nebraska Department of Environmental Quality, Classes I, III, IV, and V. No primacy granted for proposed Class VI wells as of September 2012.

Completion

- 1. Completion report required: Yes. [Rule 3.006.](#)
 - a. Time limit: Thirty (30) days after completion or re-completion.
 - b. Where submitted: Commission Headquarters Office, Sidney, NE.
- 2. Well logs required to be filed: Yes. [Rule 3.031](#)
 - a. Time limit: Thirty (30) days from logging date.
 - b. Where submitted: Commission Headquarters Office, Sidney, NE.
 - c. Confidential time period: Yes. Not more than 12 months.
 - d. Available for public use: Yes.
 - e. Log catalog available: No.
- 3. Multiple completion regulation: Yes. [Rule 3.017.](#)
 - a. Approval obtained: Application and public hearing.
- 4. Commingling in well bore: Yes. [Rule 3.016.](#)
 - a. Approval obtained: Application and public hearing.

Oil Production

- 1. Definition of an oil well: A well from which the principal production at the wellhead is oil as defined by the Act. [Rule 1.009.](#)
- 2. Potential tests required: Yes.
 - a. Time interval: Thirty (30) days or in accordance with special field rules.
 - b. Witness required: No.

3. Maximum gas-oil ratio: Yes, to prevent waste only.
 - a. Provision for limiting gas-oil ratio: Yes, to prevent waste.
 - b. Exception to limiting gas-oil ratio: Yes.
4. Bottom-hole pressure test reports required: When required by special field rules.
 - a. Periodical bottom-hole pressure surveys: As required by special field rules.
5. Commingling oil in common facilities: Yes, providing production is metered or measured separately.
6. Measurement involving meters: To the extent that production is accurately measured.
7. Production reports: Yes.
 - a. By lease: Yes.
 - b. By well: Only by specific order
 - c. Time limit: Twenty-fifth (25th) day of month following production.

Gas Production

1. Definition of a gas well? The principal production of which at the wellhead is gas as defined in the Act. [Rule 1.010](#).
2. Pressure base: 14.73 psia at 60 degrees F.
3. Initial potential tests: Yes.
 - a. Time interval: 30 days.
 - b. Witness required: No.
4. Bottom-hole pressure test reports required: Yes.
 - a. Periodical bottom-hole pressure surveys: When required by special field rules.
5. Commingling of gas in common facilities: Yes, after application and public hearing.
6. Measurement involving meters: Yes.
7. Production reports: Yes.

- a. By lease: Yes.
- b. By well: When required by special filed rules.
- c. Time limits: Twenty-fifth (25th) day of month following production.