

Comparison of Old vs. New Regulations for Pipelines, Oil & Gas Wells

	OLD	NEW
Where is drilling permitted?	Industrial zoning districts w/ approval of a Special Use Permit	Any zoning district w/ approval of a Special Use Permit (SUP)
Notice to surrounding property owners	<i>Drilling</i> – 500 feet <i>Pipelines</i> – None specified in ordinance (staff notifies within 500 feet of proposed alignment).	<i>Drilling and Pump Stations</i> – 600 feet <i>Pipelines</i> – 500 feet
Application requirements	<i>SUP</i> – none. <i>Drilling permit</i> – documents addressing safety and nuisance abatement unspecified.	<i>SUP</i> – Incident reports; geologic report; alternative drilling locations; preliminary plans for site layout, pipeline alignments and other accessory equipment; noise, lighting, landscaping, risk assessment, hazard mitigation, and emergency response. <i>Drilling, Production, Re-work, Pipeline, and Pump Station Permits</i> – Final plans of all items previously noted.
Distancing, Spacing & Setbacks		
Well bore to protected use*	350 feet	600 feet
Well bore to off-site building or structure for shelter of property	300 feet	300 feet unless affected property owners consent to encroachment
Well bore to off-site building or structure for shelter of persons and animals	300 feet	600 feet
Well bore to fresh water well	None	600 feet unless affected property owners consent to encroachment
Battery tanks to protected use*	250 feet	300 feet
Battery tanks to off-site building or structure	200 feet	300 feet
Battery tanks to fresh water well	None	600 feet unless affected property owners consent to encroachment
Pump station to protected use*	None	600 feet
Pump station to off-site building or structure for shelter of persons and animals	None	600 feet unless affected property owners consent to encroachment
Pump station to fresh water well	None	600 feet unless affected property owners consent to encroachment
Drill site to street	None	50 feet
Pipeline to protected use*, etc.	None	None; However, as part of the overall code revisions, staff is reviewing areas for pipeline corridors for transmission lines and potential ordinance requirements for uses and structures within the vicinity of transmission lines.
Noise levels	None specified	Provide ambient noise level study -or- meet requirement not to exceed 70 decibels for drilling

		operations; not to exceed 55 decibels during the daytime & 45 decibels during the nighttime for production and pump station operations.
Minimum landscaping & screening requirements	50-foot buffer yard with required plantings.	50-foot buffer yard with required plantings prior to the production phase. Applicant required to provide plan showing how production equipment will be screened based upon surrounding property.
Traffic circulation	None	Access management plan to be approved by Public Works Director.
Access maintenance fee	None	Fee to cover anticipated annual costs for city road access maintenance and cleaning.
Technical review by oil & gas industry experts [city consultant]	None	Provision for review at SUP, drilling & production phases; City will choose consultant and applicant will reimburse the city for the costs.
Inspections	One-time inspections of buildings and structures for conformance with Building & Fire Codes. But, no specific inspection protocol for the wells, rigs and tanks.	Drilling operations – weekly inspections and annual reports; Production & pipeline operations – quarterly inspections and annual reports
Penalties	Revocation of SUP and drilling permit	Revocation of SUP, drilling and production permits. Fines – \$1,000 for non-culpable mental state; \$2,000 for culpable mental state.
Abandonment	None	Restore the site to the same or better condition.
Insurance requirements		
Public liability	\$100,000 per person and \$300,000 per accident; min. \$25,000 per property damage accident	Part of umbrella liability coverage
Commercial general liability	None	\$1 million per occurrence
Umbrella liability	None	\$10 million per occurrence
Environmental pollution	None	\$5 million per loss
Control of well	None	\$10 million per occurrence; \$500,000 sub-limit endorsement
Workers' compensation	None	Texas Statutory limits
Employers Liability	None	\$500,000 per accident
Automobile liability	None	\$1 million per occurrence
Permit expiration	None	<i>SUP</i> – 1 year if drilling has not commenced. <i>Drilling and production permits</i> – 180 days if drilling or production has not commenced. <i>Pipeline permit</i> – 180 days if installation has not commenced.

*Protected use: Residential dwelling unit, religious assembly building, hospital building, public or private park, public or private school boundary or day care boundary