

Comparison of Current vs. Proposed Oil & Gas Well Regulations

| | Current | Proposed |
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| <i>Where is drilling permitted?</i> | Industrial zoning districts w/ approval of a Special Use Permit (SUP) | Any zoning district w/ approval of a Special Use Permit (SUP) |
| <i>Notice to surrounding property owners</i> | Drilling – 500 feet Pipelines – None specified in ordinance (staff notifies within 500 feet of proposed alignment). | Drilling – 600 feet Pipelines – 500 feet |
| <i>Application requirements</i> | SUP – none. Drilling permit – documents addressing safety and nuisance abatement unspecified. | SUP – Incident reports for wells drilled by operators; geologic report; alternative drilling locations; preliminary plans for site layout, proposed pipeline alignments and other accessory equipment; noise, lighting, landscaping, risk assessment, hazard mitigation, and emergency response. Drilling, Production, Re-work, Pipeline, and Pump Station Permits – Final plans of all items previously noted. |
| <i>Distancing, Spacing & Setbacks for Drilling</i> | | |
| <i>Well bore to protected use*</i> | 350 feet | 600 feet |
| <i>Battery tanks to protected use*</i> | 250 feet | 300 feet |
| <i>Well bore to off-site building or structure</i> | 300 feet | 300 feet |
| <i>Battery tanks to off-site building or structure</i> | 200 feet | 300 feet |
| <i>Well bore to fresh water well</i> | None | 200 feet |
| <i>Drill site to street</i> | None | 50 feet |
| <i>Well to well</i> | 50 feet | Per applicable requirements. |
| <i>Distancing, Spacing & Setbacks from Pipelines</i> | 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. |
| <i>Noise levels</i> | None specified for drilling operations. | Provide ambient noise level study or meet requirement not to exceed 70 decibels. |
| <i>Minimum landscaping & screening requirements</i> | 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. |
| <i>Traffic circulation</i> | None | Access management plan to be approved by Public Works Director. |

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| <i>Access maintenance fee</i> | None | Fee to cover anticipated annual costs for city road access maintenance and cleaning. |
| <i>Technical review by oil & gas industry experts [city consultant]</i> | None | Provision for review at SUP, drilling & production phases; City will choose consultant and applicant will reimburse the city for the costs. |
| <i>Inspections</i> | One-time inspections of buildings and structures for conformance with Building & Fire Codes. But, no specific inspection protocol for the wells, rigs and tanks. | At minimum, annual inspections to be performed by city consultant to be funded by annual permit fees. |
| <i>Penalties</i> | Revocation of SUP and drilling permit | Revocation of SUP, drilling and production permits. Fines – \$500 for non-culpable mental state; \$2,000 for culpable mental state. |
| <i>Abandonment</i> | None | Restore the site to the same or better condition. |
| <i>Insurance requirements</i> | | |
| <i>Public liability</i> | \$100,000 per person and \$300,000 per accident; min. \$25,000 per property damage accident | None |
| <i>Commercial general liability</i> | None | \$1 million per occurrence |
| <i>Umbrella liability</i> | None | \$10 million per occurrence |
| <i>Environmental pollution</i> | None | \$5 million per loss |
| <i>Control of well</i> | None | \$10 million per occurrence |
| <i>Workers' compensation</i> | None | \$500,000 per accident |
| <i>Automobile liability</i> | None | \$1 million per occurrence |
| <i>Permit expiration</i> | None | SUP – 1 year if drilling has not commenced. Drilling and production permits – 180 days if drilling or production has not commenced. Pipeline permit – 180 days if installation has not commenced. |

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