



# Oil & Gas Regulations Minor Updates

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City Council, Study Session  
October 8, 2018

# Background

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- Ordinance 1891 (2012) established Oil & Gas Permit/Subsurface Extraction regulations and other local regulations
- No applications for City approval of oil and gas uses received from 2012 to date
- Increase in COGCC applications, court rulings & COGCC regulations, & oil and gas discussions prompted review in May



# Scope of Proposed Revisions

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- Very limited substantive changes
- To restate and reorganize City regulations & processes (including grammatical revisions)
- To remove problematic provisions to avoid preemption and ambiguity claims
- To provide limited enhancements to the regulatory structure to improve outcomes



# Organizational Revisions

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- Relocate permit requirements and approval standards
  - Public comment, notice provisions
  - Extraction agreement public comment
  - Non-conforming use provisions
  - Building permit, business license requirements
- Link application requirements with standards
- Restate approval terminology with specificity without reducing requirements



# Clarifications

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- More clearly state Operator responsibility for:
  - fees and impact fee (and timing of payment)
  - pass-through costs
- Confirm notice requirements
- Restate requirements for:
  - consideration of zoning
  - compliance with City standards
  - compliance with state and federal law



# Clarifications

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- Revise noise control standard for consistency with other “nuisance” provisions
- Clarify expiration of inactive permits
- Clarify transportation route map requirements



# Substantive Revisions

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- Confirm requirement to consult with federal agencies for certain operations near federal lands
- Delete automatic extension for state permit extension
- Replace floodplain prohibition with Floodplain Permit requirement



# Recommended Deletions

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- Delete requirements for surface operations outside City with horizontal drilling in areas within City
- Delete “Appeals/Noncompliance” section allowing Council to waive preempted provisions



# Additional Proposals

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- Expressly authorize a regional/master operator agreement
  - High-level best management practices for all operations in the City (even before application)
  - Specific wells/permits require supplemental agreement with site-specific provisions
  - Public comment would be provided
- Allow direct appeal from administrative decision to district court





# Discussion & Questions

