



Ordinance 2183: Oil & Gas Regulations Minor Updates

City Council
October 15, 2018

Background

- 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

- 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



Future Substantive Revisions

- Staff continues to study potential substantive regulatory changes and receive input from the public, industry, partner agencies, and experts
- Future substantive revisions will involve stakeholder engagement and input



Organizational Revisions

- 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

- 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

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



Substantive Revisions

- 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

- 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 Revisions

- 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

