

INTRODUCED BY: \_\_\_\_\_

AN ORDINANCE REPEALING AND REENACTING ARTICLE X OF CHAPTER 18 OF THE THORNTON CITY CODE PERTAINING TO OIL AND GAS REGULATIONS AND MAKING CONFORMING AMENDMENTS TO SECTION 18-901 DEFINITIONS.

WHEREAS, Chapter 18 of the Thornton City Code (Code), titled as the City of Thornton Development Code (Development Code), is a compilation of the requirements, standards, and performance expectations for land uses and land development allowed within the City of Thornton (City); and

WHEREAS, the Development Code further promotes protection of public health, safety, welfare, and the environment, and implements the goals, objectives, and policies of the City's Comprehensive Plan in accordance with the visions and desires of the community; and

WHEREAS, the first Oil and Gas Regulations were adopted in 1993, and recodified in 2011, which provisions are substantially the same as the current regulations establishing requirements for oil and gas development in specified zoning districts within the City; and

WHEREAS, the density and intensity oil and gas development has increased in and around the City since adoption of the City's Oil and Gas Facility Regulations while the City has continued to urbanize, thereby raising concern about potential impacts to existing and proposed land uses from oil and gas development that could be detrimental to public health, safety, welfare, and the environment; and

WHEREAS, in response to the increase in oil and gas development the Colorado General Assembly has amended the Oil and Gas Conservation Act (Act) and the Oil and Gas Conservation Commission (COGCC) has promulgated new rules (COGCC Rules) since the last amendment to the City's Oil and Gas Facility Regulations that continue to recognize local government authority over land use impacts of oil and gas development; and

WHEREAS, the Colorado Department of Public Health and Environment (CDPHE) has updated regulations to address air quality impacts associated with increased oil and gas development; and

WHEREAS, it is the intent of the City Council to revise the Development Code to enact new oil and gas regulations in harmony with the Act and the COGCC Rules that will allow the responsible development of oil and gas resources in the City, consistent with and subject to, the protection of the public health, safety, and welfare of its residents and businesses, and the environment; and

WHEREAS, it is the City Council's intent, by enacting new regulations to mitigate the adverse impacts associated with oil and gas development and to further protect the health, safety, and welfare of its residents and businesses pursuant to the City's land use authority and general police powers; and

WHEREAS, it is also necessary to amend the current definition Section 18-901 of the Development Code to delete terms that conflict with the defined terms in the definition section of the reenacted Article X.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF THORNTON, COLORADO, AS FOLLOWS:

1. Chapter 18, Article X entitled Oil and Gas Regulations is hereby repealed and reenacted to read as follows:

## **ARTICLE X OIL AND GAS REGULATIONS**

### **DIVISION 1. GENERAL**

#### **Sec. 18-860. Purpose and authority.**

- (a) The purpose of these regulations is to use the city's land use and other police powers to provide a framework for the responsible exploration and production of oil and gas resources in a manner that is compatible with surrounding land uses, mitigates adverse impacts, and is consistent with and subject to the protection of public health, safety, welfare and the environment. These regulations are intended to harmonize with state laws, regulations, and rules pertaining to oil and gas development.
- (b) These regulations are adopted pursuant to the Thornton city charter, C.R.S. § 31-15-401 and §§ 29-20-101 *et seq.*, and Colo. Const. Art. XX, § 6.

#### **Sec. 18-861. Applicability.**

- (a) It shall be unlawful for any person to commence an oil and gas operation unless the city has first authorized the operation pursuant to these regulations
- (b) New oil and gas operations located wholly or partially on land within the city and the expansion of existing oil and gas operations within the city are subject to these regulations.
- (c) Oil and gas operations may be approved pursuant to these regulations on property that has not been subdivided without requiring the property to be subdivided.
- (d) Pre-existing oil and gas operations.
  - (1) Except for the requirements of Section 18-861(d)(2), these regulations do not apply to oil and gas operations that exist as of the effective date of these regulations.
  - (2) When the city approves any type of residentially zoned real property that will be located within 500 feet of any well site or production site in use by an oil and gas operation in existence as of the effective date of these regulations, the operator shall be required to implement the lighting study set forth in Section 18-870(f)(2) and the noise management plan set forth in Section 18-

870(f)(3) and will be required to follow the signage requirements in Section 18-881(h) of these regulations. Measurement of the 500-foot restriction shall be taken from the closest edge of either the well pad or aboveground production facilities to the boundary line of the residentially zoned real property. The operator shall coordinate with the developer of the residentially zoned real property to provide the location of all existing flowlines and gathering lines associated with the oil and gas operation. The operator shall mark all such lines within the oil and gas location.

- (3) The city manager shall provide written notice to the operator of the approval of residential development within 500 feet of the existing oil and gas operations. The standards triggered by the new development must be satisfied by the operator within the time period allotted to meet the standards.
- (e) Authorization to conduct oil and gas operations pursuant to these regulations allows the operator to conduct the activities only specified by the authorization. The authorization to conduct an oil and gas operation terminates if the operation is not commenced within 3 years of the date of the authorization, or upon abandonment of a well.
- (f) Shut-in of a well or resuming production of a well that has been shut-in in accordance with COGCC Rules does not require an operator agreement or a permit. Well shut-in or resuming production at a shut-in well requires notice as follows:
  - (1) For a well shut-in, the operator shall provide written notice to the city of the name or designation for and location of the shut-in well within 30 days of shut-in.
  - (2) For resuming production at a shut-in well, not less than 14 days before beginning work to resume production, the operator shall provide written notice to the city, including the general description of the work to be performed to resume production at a shut-in well, and estimated timetable for conducting and completing the work.
- (g) Renovation or repair of accessory equipment or pumping systems does not require an operator agreement or a permit, provided the work does not constitute expansion of the oil and gas operation. Renovation or repair of accessory equipment or pumping systems requires an activity notice as follows:
  - (1) Prior to the renovation or repair of accessory equipment or pumping systems, the operator shall submit an activity notice to the city.
  - (2) The activity notice shall contain the following information:
    - a. Operator's name and address and, if a type of entity, the name and address of the registered agent of the operator defined as any other person that the operator designates to receive notice.
    - b. Name, address, and telephone number of the person other than the operator who will be responsible for conducting and completing the

renovation or repair work, if applicable.

- c. Copy of the COGCC form 2 and form 2A for the existing oil and gas operation.
- d. A plan for the renovation or repair of the accessory equipment or pumping facilities. The plan must include the following sections:
  - 1. Estimated timetable for conducting and completing the renovation or repair work.
  - 2. Narrative description of the methods to be used for landscaping or reclamation of the area, as necessary upon completion of the renovation or repair work.
  - 3. Narrative description of the practices proposed to be followed to ensure public health and safety and to protect the environment and wildlife habitat from adverse impacts as a result of the renovation or repair work.
  - 4. Any additional material deemed necessary by the city manager to allow a determination of whether the renovation or repair work increases the scale or intensity of the oil and gas operation.
- (h) Nothing in these regulations shall be construed to limit other applicable provisions of the Code not in conflict with these regulations. If there is a conflict between these regulations and other city regulations and requirements, these regulations shall govern oil and gas operations.

**Sec. 18-862. Three types of authorization for oil and gas operations.**

These regulations provide for the following three alternative processes by which operators can choose to obtain authorization to conduct oil and gas operations in the city:

- (a) Oil and gas permit process. An applicant may seek authorization to conduct oil and gas operations pursuant to the oil and gas permit process which requires review and recommendation by the city manager and decision by the city council after a public hearing. The oil and gas permit process is set forth in Division 4 of these regulations.
- (b) Expedited oil and gas permit process. An applicant may seek authorization to conduct oil and gas operations pursuant to an expedited oil and gas permit process if the operator agrees to satisfy the eligibility requirements contained in Section 18-874. The expedited process is set forth in Division 3 of these regulations.
- (c) Operator agreement. An applicant may seek authorization to conduct oil and gas operations through a negotiated agreement between the city and the operator. The operator agreement is approved by the city council at a regular meeting without public hearing. The process for an operator agreement is set forth in Division 6 of these regulations.

### **Sec. 18-863. Other requirements.**

- a. Once the city has authorized an oil and gas operation pursuant to these regulations, the operator shall obtain a city sales and use tax license by filing the appropriate application with the finance director.
- b. Once the city has authorized an oil and gas operation pursuant to these regulations, the operator shall obtain all applicable permits and licenses before commencing oil and gas operations and before constructing any above-ground structures or facilities.
- c. Notice procedures:
  - (1) Every operator of any oil and gas operation subject to these regulations shall designate an agent residing within the state to receive any legal process or orders and notices provided for in these regulations. Notice of change of the agent or the agent's address shall be submitted by certified mail, return receipt requested, to the city within 10 days following the occurrence of such change.
  - (2) In every instance herein where notice to the city is required by these regulations, such notice shall mean to the attention of the city manager at 9500 Civic Center Drive, Thornton, CO 80229 and a separate notice to the attention of the local government designee – city development at the same address as above.
  - (3) All such notices shall be effective as of the date stamped when received by either the city manager's office or city development for the local government designee.

### **Sec. 18-864. Definitions.**

The following terms, phrases, and definitions specifically apply to these regulations and shall control in the event of conflict with the terms, phrases and definitions in Article XI, Section 18-901 of the Code. All other words used in these regulations are given their usual and customary meaning, and all words of a technical nature or specific to the oil and gas industry shall have the meaning which is generally accepted in the oil and gas industry.

*Abandonment* means the cementing of a well, the removal of its associated production facilities, the removal of its flowlines, and the remediation and reclamation of the well site.

*Activity Notice* means a notice of renovation or repair of accessory equipment or pumping systems, submitted to the city prior to beginning the work and pursuant to Section 18-861(g).

*Boundary or boundary line* means the border of any real property, specifically designated by any means of documented linear measurements or by stationary markers.

*City* means the city of Thornton.

*City council or council* means the city council of the city of Thornton.

*City manager* means the city manager of the city of Thornton or designee.

*Closed loop systems* means a closed loop mud drilling system that typically consists of steel tanks for mud and storage and the use of solids removal equipment, which normally includes some combination of shale shakers, mud cleaners, and centrifuges sitting on top of the mud tanks. This equipment separates drill cutting solids from the mud stream coming out of the well bore while retaining the water or fluid portion to be reused in the continued drilling of the wellbore. The solids are placed in containment provided on the site. The system differs from conventional drilling where a reserve pit is used to allow gravitational setting of the solids from the mud which can then be reused. A closed loop system does not include use of a conventional reserve drilling pit.

*Code* means the Thornton city Code.

*COGCC* means the colorado oil and gas conservation commission of the state of colorado.

*Days* means calendar days.

*Expansion* of oil and gas operations means an increase in the intensity and/or size of an Oil and gas operation and/or an increase in the number of wells or production facilities.

*Expedited oil and gas permit* means a permit for oil and gas operations approved by the expedited process set forth in Division 3 of these regulations.

*Exploration and production waste or E&P waste* means those wastes associated with operations to locate or remove oil or gas from the ground or to remove impurities from such substances and which are uniquely associated with and intrinsic to oil and gas exploration, development, or production operations that are exempt from regulation under subtitle C of the resource conservation and recovery act (RCRA), 42 USC Sections 6921, et seq. For natural gas, primary field operations include those production-related activities at or near the wellhead and at the gas plant (regardless of whether or not the gas plant is at or near the wellhead), but prior to transport of the natural gas from the gas plant to market. In addition, uniquely associated wastes derived from the production stream along the gas plant feeder pipelines are considered E&P wastes, even if a change of custody in the natural gas has occurred between the wellhead and the gas plant. In addition, wastes uniquely associated with the operations to recover natural gas from underground storage fields are considered to be E&P waste.

*Flowline* means those segments of pipe from the wellhead downstream through the production facilities ending at:

- (1) In the case of gas lines, the gas metering equipment; or,
- (2) In the case of oil lines, the oil loading point or LACT unit; or,
- (3) In the case of water lines, the water loading point, the point of discharge to a pit, the injection wellhead, or the permitted surface water discharge point.

*Gathering pipeline* means a pipeline that transports gas or oil from a current production facility to a transmission line or main, but does not apply to a pipeline carrying produced water subject to COGCC Rules.

*Geological hazard* means a geologic phenomenon that is so adverse to past, current, or foreseeable construction or land use as to constitute a significant hazard to public health and safety or to property. The term includes but is not limited to:

- (1) Avalanches, landslides, rock falls, mudflows, and unstable or potentially unstable slopes;
- (2) Seismic effects;
- (3) Radioactivity; and
- (4) Ground subsidence.

*Green completion practices* mean those practices intended to reduce emissions of salable gas and condensate vapors during cleanout and flowback operations prior to the well being placed on production.

*Hydraulic fracturing fluid* means the fluid, including the applicable base fluid and all hydraulic fracturing additives, used to perform a hydraulic fracturing treatment.

*Hydraulic fracturing treatment* means all stages of the treatment of a well by the application of hydraulic fracturing fluid under pressure that is expressly designed to initiate or propagate fractures in a target geologic formation to enhance production of oil and natural gas.

*Injection well* means any class II well used for the exclusive purpose of injecting fluids or gas from the surface for enhanced oil recovery or the disposal of E&P wastes. A gas storage well is not an injection well.

*Kelly* means the heavy square or hexagonal steel member suspended from the swivel through the rotary table and connected to the topmost joint of the drill pipe to turn the drill stem as the rotary table turns.

*Loadline* means a type of hose to pump oil and water into a transport truck.

*Local government designee or LGD* means the office designated by the city to act on behalf of the city in accordance with responsibilities defined by the COGCC Rules.

*Maximum allowable operation pressure or MAOP* means the maximum pressure at which a pipeline or segment of a pipeline may be operated pursuant to 49 CFR 192 Part A.

*Oil and gas containment berm or berm* means a barrier of any type used for preventing the passage of liquid materials or providing screening from adjacent uses as may be specified in an applicable oil and gas standard.

*Oil and gas location* means a definable area of land where an operator has disturbed or intends to disturb the land surface in order to locate an oil and gas operation; as more specifically depicted in the Facilities Plan required by Section 18-870(f)(14).

*Oil and gas operation(s) or operation(s)* means exploration for oil and gas, including the conduct of seismic operations and the drilling of test bores; the siting, drilling, deepening, recompletion, reworking, or abandonment of an oil and gas well, underground injection well, or gas storage well; production operations related to any such well including the installation of flowlines and gathering systems; the generation, transportation, storage, treatment, or disposal of E&P wastes; and any construction, site preparation, or reclamation activities associated with such operations.

*Oil and gas permit* means a permit for oil and gas operations approved by council following public hearing. The oil and gas permit process is set forth in Division 4 of these regulations.

*Operator* means any person who exercises the right to control the conduct of oil and gas operations.

*Operator agreement* means an agreement between the city and an operator describing how proposed oil and gas operations are to be conducted within the municipal boundaries.

*Outdoor activity areas* means parks, designated playground areas or similar types of recreation areas including trail and trail corridors, amphitheaters or similar outdoor entertainment venues or areas.

*Permit* means oil and gas permit or expedited oil and gas permit.

*Production facility* means any storage, separation, treating, dehydration, artificial lift, power supply, compression, pumping, metering, monitoring, flowline, and other equipment directly associated with oil wells, gas wells, or injection wells.

*Production site or site* means a site where production facilities are located.

*Reclamation* means the process of returning or restoring the surface of disturbed land as nearly as practicable to its condition prior to the commencement of oil and gas operations or to landowner specifications with an approved variance under COGCC Rule 502.b.

*Recompletion of a well* means actions taken following the initial completion of a well, including the action and techniques of reentering the well and redoing or repairing the original completed well to restore the well's productivity.

*Regulations* means these oil and gas regulations codified in Chapter 18, Article X of the Code.

*Shut-in well* means a well which is capable of production or injection by opening valves, activating existing equipment or supplying a power source.

*Specified minimum yield strength or SMYS* means:

- (1) For steel pipe manufactured in accordance with a listed specification, the

yield strength specified as a minimum in that specification; or

- (2) For steel pipe manufactured in accordance with an unknown or unlisted specification, the yield strength determined in accordance with §192.107(b) of 49 CFR 192 part A.

*Spill* means any unauthorized sudden discharge of E&P waste to the environment.

*VOC emissions* means volatile organic compounds in oil and gas operations that are released into the atmosphere and/or ground.

*Water body or water bodies* means any surface waters which are contained in or flow in or through the city, but does not include roadway ditches, ephemeral streams, water in sewage systems, water in treatment works of disposal systems, non municipal water facilities, water in potable water distribution systems, or irrigation or lateral ditches not discharging directly to live streams or municipal water facilities.

*Well* means an oil or gas well, a hole drilled for the purpose of producing oil or gas, a well into which fluids are injected, a stratigraphic well, a gas storage well, or a well used for the purpose of monitoring or observing a reservoir. Well includes a shut-in well.

*Well pad* means a specifically designated area of land that is used for drilling and extraction for a single well or multiple wells; multiple wells on a pad may be referred to as a multi-well pad.

*Well site* means the areas that are directly disturbed during the drilling and subsequent operation of, or affected by production facilities directly associated with, any oil well, gas well, or injection well and its associated well pad.

*Wildlife habitat* means a natural or man-made environment that contains the elements of food, shelter, water, and space in a combination and quantity necessary to sustain one or more wildlife or plant species at stable population levels in historically-used habitats. Sensitive wildlife habitat areas include, but are not limited to, nesting, brood rearing areas, rookeries, leeks, migration corridors, and calving and fawning grounds for big game.

## **DIVISION 2. APPLICATION PROCESS FOR AUTHORIZATION TO CONDUCT OIL AND GAS OPERATIONS**

### **Sec. 18-865. Pre-application conference.**

- (a) Prior to submitting an application for a permit or seeking permission to negotiate an operator agreement, an applicant shall meet with the city manager to discuss the proposed oil and gas operation. The purpose of the pre-application conference includes, without limitation the following:
  - (1) The location and nature of the proposed oil and gas operation.
  - (2) The application submittal requirements, the nature of materials that will be responsive to those requirements, and waivers of any materials that would not be necessary in determining whether the application complies with city

requirements.

- (3) Whether the application will be reviewed under the expedited oil and gas permit process, or whether the applicant will seek permission to negotiate an operator agreement.
  - (4) The terms and conditions imposed on the proposed oil and gas operation.
  - (5) Identification of site-specific concerns and issues that bear on the proposed oil and gas operation.
  - (6) Projected impacts and potential mitigation.
  - (7) The city's oil and gas standards that must be satisfied for authorization to conduct an oil and gas operation.
  - (8) Proposed date(s) and location(s) for neighborhood meeting(s).
  - (9) Applicant concerns, if any, about potential operational conflicts or waivers of oil and gas standards based on technical infeasibility or environmental protection that the applicant intends to request.
- (b) Pre-application materials. Not less than 20 days before the pre-application conference, the applicant shall provide the city manager with information that is sufficient for determining the location and nature of the proposed oil and gas operation, the degree of impacts associated with the operation, and mitigation proposed to offset such impacts.

**Sec. 18-866. Neighborhood meeting.**

As soon as possible following the pre-application conference, and prior to the city manager's report, the applicant shall hold at least one neighborhood meeting; if the city determines that the neighborhood meeting did not convey the proper information to citizens, the city may require another meeting. The meeting location shall be approved by the city.

- (a) Purpose of neighborhood meeting. The purpose of a neighborhood meeting is to provide an informal opportunity to inform the residents and property owners of the surrounding neighborhood(s) of the details of a proposed oil and gas operation, and to receive public comment and encourage dialogue at an early time in the review process.
- (b) Presentation at the meeting.
  - (1) The operator will present the oil and gas operation concept, including how the operator intends to site oil and gas facilities, an estimated drilling and completion schedule, and how the operator will implement setback requirements. The operator will discuss mitigation of impacts to air and water quality, transportation, and other nuisances so citizens may identify and discuss issues related to the proposed operation.

- (2) Citizens will be informed of the applicable review and approval process and how the applicant will meet the standards contained in these regulations.
  - (3) Decisions regarding the application will be made after the neighborhood meeting.
  - (4) The operator will provide a draft schedule of activities and presentation to the city at least 5 days before the neighborhood meeting.
- (c) **Format.** The neighborhood meeting shall include a brief presentation about the development and allow participants to ask questions. Maps of the development site, site plans, and elevation drawings should be available for review by the public. The applicant or applicant's known representative shall be available to answer questions. The applicant shall provide comment sheets for participants to provide feedback concerning the proposed development to the city; comment sheets are to be left with city personnel at the meeting or mailed to the attention of the LGD – city development at 9500 Civic Center Drive, Thornton, CO 80229. The applicant shall offer participants the opportunity to provide their names and mailing addresses for the purpose of receiving notice of public hearings concerning any application that is subsequently submitted.
- (d) **Notice and time for a neighborhood meeting.** The applicant shall provide notice of the neighborhood meeting(s) to residents and property owners within a minimum one-half mile radius of the boundary lines of the oil and gas operation and such notice shall be mailed at least 10 days before the meeting. The applicant shall submit a copy of the notice and an affidavit to the city identifying the residents and property owners that were sent notice of the neighborhood meeting. The neighborhood meeting shall be held on a weekday evening between the hours of 5:00 p.m. and 8:00 p.m., not on holidays.
- (e) **Location.** In order to provide surrounding property owners the best opportunity to attend, the neighborhood meeting is to be held at an indoor location approved by the city as close as possible to the subject site.
- (f) **Attendance at neighborhood meeting.** The applicant or their representative shall attend the neighborhood meeting. The applicant shall be responsible for scheduling the meeting, coordinating the meeting, and for retaining an independent facilitator if needed. City staff will also attend the meeting.
- (g) **Summary of neighborhood meeting.** The city staff shall prepare a written summary of the neighborhood meeting.

**Sec. 18-867. Application submittal.**

An applicant seeking authorization to conduct an oil and gas operation shall submit to the city manager the application materials set forth in Section 18-870.

**Sec. 18-868. Waiver of application material requirements.**

The city manager may waive one or more of the application materials if they are not applicable given the nature or location of the oil and gas operation. The city manager may also request additional information deemed necessary for the review of the permit application to evaluate compliance with these regulations. The applicant may submit materials submitted to the COGCC that are responsive to these regulations to avoid duplication.

**Sec. 18-869. Application fee.**

- (a) Fee requirement. The application shall be submitted with full payment of the application fee as set forth by resolution of the city council.
- (b) Payment of additional costs. The applicant is responsible for the costs of outside counsel, consultants, and referral agency review of the application including reviews associated with the pre-application conference, verification of application submittals and acceptance of the application, and all hearings and meetings on the application. All additional costs and any additional permit fees shall be paid prior to approval of a permit.

**Sec. 18-870. Application materials.**

An application must include the following materials unless the city manager has waived one or more of the materials pursuant to Section 18-868. To avoid duplicative or unnecessary work, the applicant may submit any materials prepared for the COGCC or other regulatory agencies that the city manager determines are adequate substitutes for these application materials. To avoid unnecessary cost and time, the applicant should consult with the city prior to preparing any reports and studies so that the scope and substance of the reports and studies is responsive to city requirements and concerns.

- (a) The application form furnished by the city and the operator's name and address and, if a type of entity, the name and address of the registered agent of the operator; any other person that the operator designates to receive notice, and a person designated by the operator to serve as an on-site contact.
- (b) Name and address of the surface owner and a copy of surface use agreement.
- (c) Title commitment and documents for mineral and surface interests, if available.
- (d) Copies of applicable COGCC forms 1, 2, and 2A if they have been submitted to the COGCC. The operator shall also provide notice to the city when the operator files a COGCC form 6.
- (e) A list of all permits or approvals obtained or yet to be obtained from state or federal agencies other than COGCC.
- (f) Plans and reports.
  - (1) Air quality impact assessment and mitigation plan. The plan shall include projected impacts to air quality attributable to the oil and gas operation, and the mitigation steps that will be implemented to avoid significant degradation

of air quality.

- (2) Lighting study. A photometric study to include a plan for installation of lighting. The plan shall show how the applicant will mitigate light pollution and spill-over onto properties within 1000 feet of the well site, and meet the glare requirements of Section 38-442 of the Code unless another type of lighting is necessary for public and occupational safety.
- (3) Noise management plan. The plan shall identify hours of maximum noise emissions and type, frequency, and level of noise to be emitted during each phase of the oil and gas operation. The plan shall include proposed mitigation measures and a requirement that all decibel readings to verify compliance with these regulations shall be taken for each well site and production site in the manner prescribed in COGCC Rule 802.c.
- (4) Stormwater management plan. A copy of the stormwater management plan submitted to the colorado water quality control division, and a description of the measures proposed to comply with the applicable COGCC stormwater control requirements in Rule 1002(f).
- (5) Flowline management plan.
  - a. Existing flowlines.
    1. The plan will provide for advance notice to the city when removal of any existing or abandoned flowlines is scheduled to occur.
    2. The plan will provide for notice to the city when existing flowlines are relocated and for update of the facilities plan, Section 18-870(f)(14).
    3. Flowlines to be used shall be marked within the oil and gas location every 100 feet with a marker approved by the city. Flowlines not used shall be abandoned.
  - b. Proposed flowlines.
    1. A copy of COGCC Rule 1101.e approved continuous monitoring program providing for pressure data monitoring 24 hours a day 7 days a week and a provision for reporting results to the city; or
    2. A description of COGCC Rule 1101.e pressure testing practices and provision for reporting results to the city.
    3. A map locating all flowlines within the oil and gas location and the size, depth, and length of the flowlines. The map can be used as a part of the facilities plan.

4. All proposed flowlines will be marked in the same manner as existing flowlines.
- (6) Gathering pipeline integrity management plan.
    - a. The owner of a gas gathering pipeline shall prepare and maintain an integrity management plan in conformance with 49 CFR § 192, subpart O.
    - b. The owner of an oil gathering pipeline shall prepare and maintain an integrity management plan in conformance with 49 CFR § 195.452.
    - c. The plan shall include the location of existing and proposed gathering pipeline(s) and shall identify the material, thickness, diameter, and operating pressure of existing and proposed pipelines; the materials transported in existing pipeline(s); the pipeline easement(s) by location and dimension; and the owner of each existing gathering pipeline.
    - d. Where operator is not the owner of a gathering pipeline, operator shall show where operator's facilities connect to a gathering pipeline and identify the owner of the gathering line.
    - e. The plan shall require that all gathering lines within the oil and gas location be marked every 100 feet with a marker approved by the city.
  - (7) Water availability plan. The plan shall identify the anticipated volume of water needed for each phase of the oil and gas operation, and verification of all sources of water for the life of the operation. The plan shall take into consideration that the city will not provide city water for use by an oil and gas operation.
  - (8) Water quality impact assessment and monitoring plan. The plan shall establish a baseline and a process for monitoring changes to water quality and the aquatic environment to demonstrate the effectiveness of mitigation. The plan shall include an inventory and location of all water bodies and groundwater, as well as domestic and commercial water wells within a one-mile radius of the oil and gas operation and the following:
    - a. The location of all existing water bodies and watercourses, including direction of groundwater flow. This information shall be submitted on United States Geological Service (USGS) 7.5 minute series, assessor base maps which indicate topographic detail and show all existing water bodies and watercourses with a physically defined channel within a 1000-foot radius of the well site or a map of equal quality and information.
    - b. Locations for and frequency of sampling and monitoring to establish baseline of existing conditions prior to the proposed oil and gas operation, including existing water quality, aquatic life and macro-

invertebrates, and groundwater data.

- c. Key indicators of water quality and stream health, and threshold levels that will be monitored to detect changes in the water quality and health of the aquatic environment.
  - d. Locations for and frequency of sampling and monitoring for key indicators of water quality and stream health including, but not limited to contaminants regulated by the COGCC and any other contaminants associated with the oil and gas operation.
  - e. Locations for and frequency of sampling and monitoring to measure effectiveness of water quality mitigation during the life of the oil and gas operation and five years after final reclamation of all disturbed areas is complete.
  - f. Projected impacts to water quality and mitigation steps that will be implemented to avoid significant degradation of water bodies if monitoring of key indicators reveals water quality degradation is attributable to the operation.
- (9) Wildlife and habitat assessment mitigation plan. The plan shall include identification of existing wildlife and wildlife habitat, as defined by the Colorado division of parks and wildlife, and projected impacts and mitigation steps that will be implemented to avoid significant degradation of wildlife and wildlife habitat located within the oil and gas location.
- (10) Landscaping and reclamation plan.
- a. Description of the species, character, and density of existing vegetation on the site.
  - b. Projected impacts to vegetation as a result of the oil and gas operation, and mitigation steps that will be implemented to address these impacts and minimize damage to existing trees and vegetation.
  - c. Description of the proposed landscaping.
  - d. Description of the plan for weed management in compliance with Section 38-444 of the Code.
  - e. Interim and final reclamation plan.
- (11) Grading, drainage, and erosion control plan. Identification of existing and proposed contours, at two foot intervals, and the methods for controlling erosion and dust during construction and all phases of the oil and gas operation, pursuant to Chapter 22, Article V and Chapter 18, Article V, Division 7, Part 4 of the Code.
- (12) Geological assessment report. The report, prepared by a registered engineer,

shall detail the geological characteristics of the site. The report shall include an assessment of the geologic hazards within one mile of the site and the plan for mitigating impacts from geologic hazards to the oil and gas operation, and impacts of the operation on such geologic hazards.

(13) Vicinity map that includes:

- a. The location of existing oil and gas wells as reflected in COGCC records, including abandoned wells, within a 1000-foot radius of the proposed location of the boundaries of the well pad.
- b. The location of proposed well pad sites and production sites, including the information submitted on COGCC form 2, graphically depicted on a map of the section in which the sites are to be located, including the tax parcel identification number of the property on which the well pad and production sites are to be located.

(14) Facilities Plan.

- a. A site map depicting the boundary line of the oil and gas location and all proposed well sites and production sites. The site map shall be at a scale no less than one inch equals 100 feet showing:
  1. The proposed location of all production facilities associated with the oil and gas operation; the flowline management plan may be used to supplement this information.
  2. The location of any existing wells and production facilities, including without limitation flowlines, twinning locations, motors, tank battery, separators and treaters, production pits, and other accessory equipment that are to be used for the oil and gas operation.
  3. The location of any proposed fencing surrounding the oil and gas location, excluding any flowlines or gathering lines extending beyond the oil and gas location and the location of all proposed berming.
  4. Proposed accessways and storage facilities associated with the well site and production site.
  5. Description of intended color of paint for storage tanks and other permanent structures.
  6. Existing physical features, including drainageways, floodplains, roads, rights-of-way, and irrigation or lateral ditches that discharge to live streams and any municipal water facility within 1000 feet of the designated boundary for the well site or production site.

7. Existing subdivision boundaries, existing buildings or structures, property lines, public and private utility easements of record, and utility facilities and improvements on or located within 1000 feet of the designated boundary for the well sites or production sites.
  8. The location of existing and proposed transmission lines and gathering pipeline(s) identified by material, thickness, diameter, and operating pressure and the easement identified by location and dimension.
  9. Location of guy line anchors buried for future use.
- b. A topographic map and aerial photo of the oil and gas operation location and a boundary map specifically identifying the boundary lines for the parcel on which the oil and gas operation will be located.
- (15) Emergency preparedness and response plan. A plan for each specific facility associated with the oil and gas operation in compliance with the International Fire Code as amended in the Code. The plan shall be filed with the Thornton Fire Department, the Adams/Jeffco Hazardous Materials Response Authority (“hazmat team”), and the city’s emergency and safety administrator, updated on an annual basis and as conditions change (responsible field personnel change, ownership changes, etc.).
- a. Name, address and phone number, including 24-hour emergency numbers for at least two persons responsible for emergency field operations.
  - b. Contact information for the Thornton Fire Department, the hazmat team, and the city's emergency and safety administrator. Any spill response will require notification to the Thornton Fire Department, city's emergency and safety administrator, and the hazmat team.
  - c. A facilities map depicting the proposed locations and type of above- and below-ground facilities, including sizes and depths below grade of all flowlines, oil and gas gathering pipelines and transmission lines and associated equipment, isolation valves, surface operations and their functions, as well as transportation routes to and from the site of the oil and gas operation for emergency response and management purposes.
  - d. Information detailing each reasonable potential emergency that may be associated with the operation. This may include any or all of the following: explosions, fires, gas, oil or water pipeline leaks or ruptures, uncapped flowlines or unsecure valves connected to a wellbore, hydrogen sulfide or other toxic gas emissions, or hazardous material vehicle accidents or spills.
  - e. Information detailing access or evacuation routes, and health care

facilities anticipated to be used.

- f. A project-specific emergency preparedness plan for any project that involves drilling or penetrating through known zones of hydrogen sulfide gas.
- g. Information demonstrating that the applicant has adequate personnel, supplies, and training to implement the plan immediately at all times during construction and operations.
- h. A process for maintaining the current material safety data sheets (MSDS) for all chemicals used or stored on-site for inspections, and a process for providing such MSDS information upon request, and at any stage of development, to city officials, a public safety officer, or a health professional.
- i. A community outreach policy that establishes a process by which the operator engages with the surrounding neighbors to educate them on the risks of the on-site operations, and to establish a process for surrounding neighbors to communicate with the operator.
- j. A list of names and contact information for a third party emergency response agency, other than the Thornton Fire Department, an independent contractor, or a division within the operator's oil and gas operation, that is appropriately equipped to respond to the specific emergency and other hazardous incidents that may occur in connection with the operation, and proof that such agency or independent contractor is willing and able to respond to any such incident occurring on the site of the operation.
- k. A section providing that when an emergency situation arises that creates an imminent threat to health and safety, as determined by the city, the operator will, in consultation with the city, take all steps necessary to abate the emergency including cessation of operations if cessation will abate the emergency.
- l. A provision obligating the operator to reimburse the appropriate emergency response service providers for costs incurred in connection with any emergency in accordance with Colorado state statutes.

(16) Transportation plan.

- a. Description of all proposed private and public access and haul routes for all product produced and transported; equipment delivery; water, sand, waste solids, fluids, and E&P waste; and any other materials to be hauled onto or from the site of the oil and gas operation.
- b. Description of each vehicle type, the unloaded and loaded weight of each vehicle, and the number of wheels and axles for each vehicle,

including an estimate of the number of trips per day for each type of vehicle for each phase of the oil and gas operation. This information shall also be provided to the traffic engineer in connection with the process for obtaining an access road permit, once a permit is approved.

- c. Description of the proposed routes that will be utilized for all truck traffic and anticipated times of travel for the operator or any subcontractor of the operator. The plan shall demonstrate how such routes and times will be used to insure that public roads and public intersections will be used in a manner that minimizes delays in the use of public roads by the general public, and will not result in an unacceptable level of service for any contemplated intersection. The operator will submit, for approval by the traffic engineer, a plan to meet the applicable level of service for each intersection to insure the public traffic will not be adversely impacted.
- (17) Chemicals and hydraulic fracturing fluids disposal and reporting plan. A plan for disposal and reporting of chemicals and hydraulic fracturing fluids.
- (18) Spill prevention control and countermeasures plan.
- a. Spills and releases shall be contained, investigated, and cleaned up as soon as possible or immediately in emergency situations. All employees performing spill clean-up shall be qualified in accordance with applicable state and federal requirements.
  - b. An electronic monitoring program to aide in discovery of spills and releases.
  - c. Copies of form 19 spill release report (both the initial report and supplemental report) and form 23 loss of well control report shall be submitted to the city manager, the LGD, and the Thornton Fire Department 911 line at the same time that they are submitted to the COGCC.
  - d. Spills and releases outside of containment which exceed one barrel of E&P waste or produced fluids shall be reported to the city manager and the LGD within 24 hours.
  - e. Spills and releases that impact or threaten to impact waterbodies or ditches, residences or occupied structures, livestock, or public byways shall be reported in person, by phone, or text to the Thornton Fire Department, the hazmat team, the city's emergency and safety administrator, the city manager, and the LGD within 24 hours, with a follow-up written notice within 48 hours of such notice.
  - f. Spills and releases that impact or threaten to impact a water supply intake shall be reported immediately to the city manager and the LGD and if the city is not the owner of the intake, also to the owner of the



materials, the city manager will determine whether all the required application materials have been submitted.

- (1) If the city manager determines that the application does not include all the required application materials, the city manager will notify the applicant. Notice to the applicant will identify the deficiencies and the city will take no further action until the deficiencies are remedied.
  - (2) If the applicant fails to remedy the deficiencies within 30 days after the notice, the application shall be considered withdrawn unless the applicant requests more time.
- (b) Acceptance of application. Within 20 days after verification that all the required application materials have been submitted, the city manager will review the application to determine if the application materials are responsive to the city's requirements. Upon determination that the application is responsive, the city manager will accept the application. The application shall be dated with the date of acceptance.
  - (c) Acceptance of the application is not a determination of compliance. Acceptance of the application shall not constitute a determination that it complies with the oil and gas standards of these regulations.
  - (d) Consultants. The city manager may rely on consultants during the review of the application under this section.

**Sec. 18-872. Determination of type of permit.**

Within 14 days after acceptance of the application, the city manager will determine if the permit application is eligible for the expedited oil and gas permit process under Division 3, or subject to the oil and gas permit process under Division 4.

**Sec. 18-873. Referral of application to consultants and agencies.**

Following acceptance of the application, the city manager may send a copy of the application to consultants and any local, state, or federal agency that may have expertise or an interest in impacts that may be associated with the oil and gas operation.

**DIVISION 3. EXPEDITED OIL AND GAS PERMIT DECISION PROCESS**

**Sec. 18-874. Eligibility for expedited oil and gas permit process.**

An oil and gas operation is eligible for the expedited oil and gas permit process if the applicant agrees to conduct the operation in conformance with the following minimum requirements in addition to the oil and gas standards in Division 5 and all other applicable city requirements. The applicant may submit a written proposal to use an alternate best management practice or technology to the city manager. The city manager may approve the alternate best management practice or technology if it is more protective of public health, safety, welfare, and the environment than the city standard or requirement.

- (a) Multi-well pads. The applicant agrees to use multi-well pads as follows:
  - (1) Wells will be consolidated to create multi-well pads, including shared locations with other operators where possible.
  - (2) Well pads shall be constructed in such a manner that noise mitigation may be installed and removed with minimal disturbance to the site or landscaping.
- (b) Setbacks. The applicant agrees to locate well sites and production sites in accordance with the following setbacks. These setback requirements may not be altered.
  - (1) Any type of well pad and above-ground production facility will be located at least 1000 feet from occupied buildings, or a proposed building that has applied for a building permit that requires a certificate of occupancy pursuant to the Code. Measurement shall be taken from the edge of either the nearest well pad or above-ground production facility to the nearest wall or corner of any such buildings.
  - (2) Any type of well pad and above-ground production facility will be located at least 750 feet from the boundary line of platted residential lots and the boundary line of any outdoor activity areas. Measurement shall be taken from the edge of either the nearest well pad or above-ground production facility to the boundary line of the platted residential lots or any outdoor activity area.
  - (3) Any type of well pad and above-ground production facility will be located at least 500 feet from the ordinary high water mark of any water body, or the edge of the bank of any irrigation or lateral ditch.
  - (4) Any type of well pad and above-ground production facility shall be located at least 500 feet from the boundary line of the property where the oil and gas location is situated.
- (c) Water quality requirements.
  - (1) The applicant agrees to test for metals and other pollutants to establish baseline and post drilling conditions in accordance with the approved water quality impact assessment and monitoring plan.
  - (2) Containment berms. The applicant agrees to construct containment berms as follows:
    - a. Containment berms or other secondary containment facilities will be installed around crude oil, condensate, and produced water storage tanks and shall be capable of completely and safely impounding 150% of the capacity of the largest tank size within the berm.
    - b. Containment berms will be constructed of steel rings designed and installed to prevent leakage and resist degradation from erosion or

routine operation.

- c. The number of crude oil or condensate storage tanks will not exceed the berm capacity based upon generally accepted engineering criteria, but shall be designed to minimize the overall site footprint and surface disturbance.
  - d. Secondary containment areas for tanks will be constructed with a synthetic or engineered liner that contains all primary containment vessels and flowlines and is mechanically connected to the steel ring to prevent leakage.
  - e. No potential ignition sources will be located inside the secondary containment area unless the area encloses a fired vessel.
- (3) Closed loop systems. The applicant agrees to use closed loop systems for all oil and gas operations.
- (d) Noise mitigation.
- (1) The applicant agrees that noise levels will conform to COGCC noise rules except that the noise level for any oil and gas operation located within the city will not exceed 60 db(A). Measurements shall be taken 350 feet from the source of the sound and will not be taken when traffic is passing the sound level meter.
  - (2) Electric motors and rigs will be used where use of electric power is available.
- (e) Green completion emission control systems. The applicant agrees to comply with green completion standards for emission control systems for the flowlines, separators, and sand traps.
- (f) Loadline requirements. The applicant agrees to construct loadlines as follows:
- (1) Loadlines will be capped, bull-plugged, or locked shut.
  - (2) Loadline receivers/valves will be placed inside secondary containment areas, or in a proper loadline containment device, or both.
- (g) Guy line anchors. The applicant agrees that all guy line anchors left buried for future use will be identified by a marker of bright color not less than 4 feet in height and not greater than one foot east of the guy line anchor.
- (h) Tank requirements.
- (1) The applicant will maintain written records verifying proper design, construction, maintenance, locations and relocations of tanks.
  - (2) All newly installed or replaced crude oil and condensate storage tanks shall be designed, constructed, and maintained in accordance with the national fire

protection association ("NFPA"), code 30, as may be amended from time to time.

- (3) All fire department tanks that are part of the production site, and not temporary tanks, shall be no higher than 9 feet.
- (i) Blowout preventer equipment. The applicant agrees to install blowout preventer equipment as follows:
    - (1) During drilling operations:
      - a. Rig with kelly. Double ram with blind ram and pipe ram; annular preventer or a rotating head.
      - b. Rig without kelly. Double ram with blind ram and pipe ram.
      - c. Pressure test casing string and each component of blowout prevention equipment shall be performed upon initial rig-up and minimum once every 30 days during drilling operations. Results shall be documented and retained for up to one year.
      - d. Daily activation of pipe rams for function testing.
      - e. Mineral management certification or approved training required for at least one person at well site during drilling operations.
    - (2) Well servicing operations:
      - a. Adequate blowout prevention equipment will be used on all well servicing operations.
      - b. Backup stabbing valves will be installed on well servicing operations during reverse circulation and valves pressure tested before each well servicing.

**Sec. 18-875. City manager's review and decision.**

- (a) Application review. Following acceptance of the application, the city manager shall review the application to determine whether the applicant has demonstrated that the oil and gas operation will be conducted in accordance with the eligibility requirements in Section 18-874, the oil and gas standards in Division 5, and all other applicable requirements.
- (b) City manager decision and report. Within 90 days of acceptance of the application, the city manager shall approve, approve with conditions, or deny the application.
  - (1) If the city manager determines that the application satisfies all requirements and standards, the city manager shall approve the application.
  - (2) If the city manager determines that the application fails to satisfy any one or

more requirements and standards, the city manager may approve the application with conditions necessary to satisfy the requirements and standards, or deny the application. If the city manager decides to approve the application with conditions, the city manager will notify the applicant of such conditions prior to sending the report to city council in order to allow the applicant to submit additional documents to the city to address such conditions.

- (3) The city manager will prepare and date a report that documents the decision, summarizes the oil and gas operation, and identifies the information on the record that indicates whether or not the operation is likely to comply with each requirement or standard. When the city manager decides to conditionally approve the application, the report will list each condition and the requirement or standard the condition addresses.
  - (4) The city manager will send the report to city council and the applicant after its completion.
  - (5) Unless the city council initiates a call-up pursuant to Section 18-876, or the applicant requests reconsideration of the city manager's decision pursuant to Section 18-877, the city manager's decision shall be deemed final 30 days after the date of the city manager's report.
- (c) Application record. The application record consists of all application materials submitted by applicant, the summary of the neighborhood meeting(s) prepared by city staff, correspondence to and from the applicant, reports prepared by consultants and referral agencies, written public comments, and the city manager's report and documents referenced in the report.

**Sec. 18-876. Call-Up by city council of city manager's decision.**

- (a) Call-up by city council. At the next regular meeting or special meeting of the city council within 30 days of the date of the city manager's report, the council may, at its discretion and by an approved motion, call-up the city manager's decision.
- (b) Reconsideration of city manager's decision. After the decision to call-up the city manager's decision, the city council will reconsider the city manager's decision at the next regular meeting or special meeting that allows for at least 10 days' notice to the applicant. A public hearing is not required.
- (c) City council decision. Based on its review of the city manager's report, the city council shall adopt a written resolution upholding, modifying, or overturning the city manager's decision as it deems necessary to comply with these regulations.
- (d) Rationale for city council decision. The city council's resolution shall set forth its rationale. The rationale may generally refer to the record, summarize the essential facts (or missing facts) and witnesses that support its decision. The city council shall grant some deference to the city manager's decisions that rest on expert analysis by the city manager, staff, and/or outside experts. However, city council shall not be limited to the city manager's decision for issues involving interpretation or application

of the regulations to the facts and expert opinions presented to city council.

- (e) City council record. The city council record shall consist of the application record as described in Section 18-875(c), the written and taped record of oral proceedings, and the adopted resolution setting forth the council's decision.

**Sec. 18-877. Applicant request for city council reconsideration of city manager's decision.**

- (a) Request for reconsideration. Not more than 30 days from the date of the city manager's decision, the applicant may submit a written request to city council for reconsideration of the city manager's decision. The request shall detail the reasons why the city manager's decision should be modified or overturned.
- (b) Reconsideration of city manager's decision. The city council may reconsider the city manager's decision at the next regular meeting or special meeting that allows for at least 10 days' notice to the applicant following receipt of the applicant's request for reconsideration. A public hearing is not required.
- (c) City council decision. Based on its review of the city manager's report, the city council shall adopt a written resolution upholding, modifying, or overturning the city manager's decision as it deems necessary to comply with these regulations. The council's decision is final.
- (d) Rationale for city council decision. The city council's resolution shall set forth its rationale. The rationale may generally refer to the record, summarize the essential facts (or missing facts) and witnesses that support its decision. The city council shall grant some deference to the city manager's decisions that rest on expert analysis by the city manager, staff, and/or outside experts. However, city council shall not be limited to the city manager's decision for issues involving interpretation or application of the regulations to the facts and expert opinions presented to city council.
- (e) City council record. The city council record consists of the application record as described in Section 18-875(c), the written and taped record of oral proceedings, and the adopted resolution setting forth the council's decision.
- (f) Request for public hearing. In lieu of the process set forth in this Division 3, the applicant can request that the city council reconsider the city manager's decision in a public hearing conducted pursuant to the timeframes and appeal process in Section 18-34(f) of the Code.

**DIVISION 4. OIL AND GAS PERMIT PROCESS**

**Sec. 18-878. City manager review of application.**

If the application is not eligible for the expedited permit process in Division 3 or the applicant has not chosen to pursue an operator agreement under Division 6, the city manager shall review the application following acceptance of the application to determine whether the applicant has demonstrated that the oil and gas operation will be conducted in compliance

with the oil and gas standards in Division 5, and all other applicable requirements.

**Sec. 18-879. City manager's recommendation and report.**

- (a) City manager's report. Within 90 days following acceptance of the application, the city manager shall prepare and date a report that documents the recommendation, summarizes the oil and gas operation, and identifies the information on the record that indicates whether the operation is likely to comply with each standard. Where the city manager recommends to conditionally approve the application, the report will list each condition and the standard the condition addresses.
- (b) Recommendation. The city manager's report will recommend that the application be approved, approved with conditions, or denied. If the report recommends that the application be approved with conditions, the city manager will notify the applicant of the conditions prior to sending the report to city council in order to allow the applicant to submit additional documents to the city to address such conditions.
- (c) Distribution of report. Not less than 5 days prior to the date of the public hearing, the city manager shall submit the report to the applicant and to the city council. A copy of the report shall also be available for public review prior to the hearing.
- (d) Application record. The application record consists of all application materials submitted by applicant, the summary of the neighborhood meeting(s) prepared by city staff, correspondence to and from the applicant, reports prepared by consultants and referral agencies, written public comments, and the city manager's report and documents referenced in the report.

**Sec. 18-880. Public hearing and decision by city council.**

- (a) Scheduling of city council public hearing. Within 45 days after the date of the city manager's report, the city manager shall schedule a city council public hearing.
- (b) Public notice of city council hearing.
  - (1) Published notice. Not less than 10 days prior to the date of the public hearing, the city manager shall give notice of the public hearing on the oil and gas permit application by any means of publication. The applicant shall be responsible for the cost of publication.
  - (2) Written notice of hearing to adjacent property owners. Not less than 10 days prior to the date of the public hearing, the city manager shall mail written notice of the public hearing to all owners of real property lying within one-half mile of the boundary of the oil and gas operation. Measurement of the one-half mile includes streets and alleys. The applicant shall provide the names and addresses of the parties to be notified, using the most current list of property owners on file with the county assessor.
  - (3) Posted notice. Not less than 10 days prior to the date of the public hearing, the applicant shall post a notice of the public hearing on the subject property.

- a. The number and location of signs to be posted shall be approved by the city.
  - b. The applicant shall post the proper number of signs at the locations specified by the city. Proper posting of the signs shall be affirmed by a notarized affidavit of posting signed by the applicant, on a form provided by the city.
  - c. If the city council determines that the applicant has failed to comply with the city's requirements for posting notice of the hearing, the council shall take no action on the application other than to continue the public hearing to a date certain.
- (c) City council decision. At the close of the public hearing, the city council shall approve, approve with conditions, or deny the oil and gas permit application based upon the city manager's recommendation, public comment, and all other information on the record. The city council may request more information and continue the final decision to a date certain.
- (1) Approval of application. If the city council determines that the application satisfies all the applicable standards, it shall approve the application.
  - (2) Conditional approval or denial of application. If the city council determines that the application fails to satisfy any one or more standards, it may approve the application with conditions necessary to satisfy the applicable standards or deny the application.
  - (3) Rationale for council decision. The council's decision shall be memorialized in a resolution setting forth its rationale. The council's decision is final.
- (d) Public hearing record. The record consists of the application record as described in Section 18-879(d), the written and taped record of oral proceedings, including testimony and statements of personal opinions and the minutes of the hearing, exhibits and papers submitted in the proceeding before the council, and the adopted resolution setting forth the council's decision.

## **DIVISION 5. OIL AND GAS STANDARDS.**

The purpose of these oil and gas standards is to ensure that oil and gas operations are compatible with the surrounding land use and that adverse impacts are mitigated in a manner that is consistent with and subject to the protection of the health, safety, and welfare of the citizens and the environment. The applicant may submit a written proposal to use an alternate best management practice or technology to the city manager. The city manager may approve the alternate best management practice or technology if it is more protective of public health, safety, welfare, and the environment than the city standard or requirement.

### **Sec. 18-881. Standards for oil and gas operations.**

The following oil and gas standards are the minimum standards that apply to all oil and gas

operations. One or more these oil and gas standards may be waived for operational conflict, technical infeasibility, or environmental protection in accordance with Section 18-882. Where the application will be reviewed under the expedited oil and gas permit process, oil and gas operations are subject to these oil and gas standards in addition to the eligibility requirements in Section 18-874.

- (a) Well Site and above-ground production facility setbacks. Wells and above ground production facilities shall be located in accordance with the following minimum setbacks unless the city approves a lesser setback under Section 18-882, *waiver of oil and gas standards*.
  - (1) Any type of well pad and above-ground production facility is to be located the greatest distance possible, at no less than 750 feet, from occupied buildings or a proposed building that has applied for a building permit that requires a certificate of occupancy pursuant to the Code. Measurement is to be taken from the edge of either the nearest well pad or above-ground production facility to the nearest wall or corner of any such buildings.
  - (2) Any type of well pad and above-ground production facility shall be located the greatest distance possible, at no less than 750 feet from any platted residential lots and from the boundary line of any outside activity areas. Measurement shall be taken from the edge of either the nearest well pad or above-ground production facility to the boundary line of the platted residential lots or any outdoor activity area.
  - (3) Any type of well pad and above-ground production facility shall be located the greatest distance possible, but at no less than 500 feet from ordinary high water mark of any water body, or the edge of the bank of any irrigation or lateral ditch.
  - (4) Any type of well and above-ground production facility shall be located at least 500 feet from the boundary line of the property where the oil and gas location is situated.
- (b) Surface disturbance. The oil and gas operation shall be located and constructed in a manner that minimizes site disturbance and that minimizes the amount of cut and fill on-site. If the COGCC Rules do not otherwise require such site disturbance standards for the oil and gas operation, the following shall apply:
  - (1) When an applicant is proposing multiple wells, the wells shall be located on multi-well pads and all operations shall be consolidated wherever possible.
  - (2) Pad dimensions shall be reduced to a size necessary to accommodate operations, and shall be located in a manner to minimize impacts on surrounding uses and be compatible with the natural topography and existing vegetation while maintaining safe operation distances in accordance with OSHA and generally accepted industry best practices.
  - (3) The size of the structure and surface equipment for present and future operational needs shall be minimized as much as possible without

compromising safety concerns.

(c) Flowlines.

- (1) The operator shall remove any existing abandoned flowlines in accordance with the flowline management plan. The operator shall provide notice to the city of abandonment of all flowlines per COGCC Rule 1103.
- (2) Flowlines shall not be abandoned in place, they must be removed upon abandonment.
- (3) Proposed flowlines shall be monitored and tested in accordance with the COGCC Rule 1101.e continuous monitoring program or pressure testing practices. The operator shall report all flowline testing and monitoring results to the city.
- (4) Flowlines shall be located at least 500 feet from the nearest exterior wall of any building that is required to obtain a certificate of occupancy pursuant to the Code. All flowlines that extend beyond the boundary line of the oil and gas location shall be marked every 300 to 350 feet with a marker approved by the city.
- (5) The operator shall notify the city of any flowline integrity failure upon discovery.

(d) Noise mitigation. The operator shall implement the noise mitigation plan.

(e) Wildlife standards.

- (1) The operator shall implement the wildlife assessment and mitigation plan so as not to cause significant degradation of wildlife and wildlife habitat.
- (2) When a well site or production site is located in a significant wildlife habitat, as defined by the Colorado Division of Parks and Wildlife or where designated in the city's comprehensive plan, the applicant shall consult with the Colorado Division of Parks and Wildlife and the city to obtain recommendations for appropriate site-specific impact mitigation procedures. The applicant shall implement such procedures as recommended by the Colorado Division of Parks and Wildlife in addition to any other requirements set forth in the wildlife and habitat assessment and mitigation plan.

(f) Compatibility with surrounding uses.

(1) Site preferences.

- a. Production and storage facilities shall be designed to maximize distances from prominent natural features, to the extent feasible, such as distinctive rock and land forms, vegetative patterns, river crossings, specifically designated open space areas, and other designated landmarks. Such sites shall be located to avoid, to the extent feasible,

the top of hills and ridges in order to prevent the appearance of any accessory equipment profiles on the horizon.

- b. The operator shall locate facilities at the base of slopes to provide a background of topography and/or natural cover whenever feasible. The applicant shall align on-site roads to follow existing grades and minimize cuts and fills.

(2) Facilities mitigation.

- a. All production facilities that can be painted shall be painted as follows:
  - 1. Uniform, noncontrasting, nonreflective color tones similar to the Munsell soil color coding system.
  - 2. Color matched to land, not the sky, and slightly darker than adjacent landscape.
  - 3. Exposed concrete colored to match the soil color.
- b. Electric pumping systems shall be required in all areas where service is technically and practicably available. Electrical lines servicing pumping and accessory equipment shall be installed below ground.
- c. All structures and equipment shall be regularly maintained so as not to become so deteriorated as to be hazardous or potentially injurious to the public health and safety.
- d. When an oil and gas operation becomes operational, all construction-related debris shall be removed from the site for proper disposal. The entire site of the oil and gas operation shall be maintained free of debris and excess materials at all times during operations. Burying debris or any type of excess materials on-site is prohibited.
- e. All equipment used for drilling, re-completion, and maintenance of the site shall be removed within 30 days of completion of the work. Permanent storage of equipment on well sites shall not be allowed.
- f. Tanks shall be low-profile tanks.

(g) Required fencing.

- (1) All pumping systems and accessory equipment shall be screened on all sides by a non-flammable type of privacy fence of a height equal to the highest accessory equipment. The fence will be secured against unauthorized entry.
- (2) Chain link, wrought iron or other type of open style fence material shall be installed surrounding the oil and gas location as specifically depicted in the facilities plan. The operator shall use the factory applied finish or may paint wrought iron black; galvanized is appropriate for chain link fence.

- (3) Access to the site of the oil and gas operations shall be provided by a securely locked, solid gate that preserves the integrity of the screening but that is designed to allow access by emergency responders.
- (h) Signs. Operator shall install signs displaying operator contact and well information and warning of safety hazards. All oil and gas operations shall be posted with a "No Trespassing" sign, which may be incorporated into any warning sign. Such no trespassing signs shall meet the requirements of Section 38-179(a) of the Code for posted premises.
- (i) Floodplain. All oil and gas operations within the city-designated 100-year floodplain area, referred to as areas of special flood hazards, require a floodplain development permit pursuant to Chapter 18, Article V, Division 7, *floodplain regulations*, of the Code.
- (j) Well leak detection and repair. Operator shall implement the leak detection and repair plan.
- (k) Water reuse/waste water.
  - (1) Operator shall recycle and reuse water to the maximum extent feasible, and shall minimize waste water production.
  - (2) No E&P waste shall be permanently stored on the site. E&P waste shall be stored in tanks on-site for no longer than three months and transported off-site by tanker trucks for disposal at facilities approved to receive E&P waste.
- (l) Water quality/supply.
  - (1) The applicant has demonstrated that an adequate water supply is available for all phases of the oil and gas operation through implementation of the water availability plan.
  - (2) The oil and gas operation shall be conducted in accordance with the grading, drainage and erosion control plan.
  - (3) The oil and gas operation shall not cause significant degradation of water quality of affected water bodies as set forth in the approved water quality impact assessment and monitoring plan.
    - a. Maintenance of machinery is prohibited within 300 feet of a water body.
    - b. No fluids shall be discharged off site, except pursuant to an approved discharge permit.
    - c. Class II underground injection wells are prohibited unless specifically approved by the city.
    - d. Tertiary containment, such as an earthen berm, is required around

production facilities located upgradient of a surface water body and shall be designed to contain an amount of fluid equal to the capacity of the largest tank within the berm.

- (m) Air quality standards. The oil and gas operation shall not cause significant degradation of air quality and all operations shall be conducted in compliance with the air quality impact assessment and mitigation plan.
- (n) Chemical disclosure and hazardous material storage. Hazardous material storage shall be conducted in compliance with the chemicals and hydraulic fracturing fluids disposal and reporting plan.
- (o) Spill and release response and reporting. Spill and release response and reporting shall be in compliance with the spill prevention control and countermeasures plan.
- (p) Discharge valves.
  - (1) Discharge valves shall be secured and inspected regularly to insure proper functioning. The operator shall document all inspections.
  - (2) Open-ended discharge valves shall be placed in containment.
- (q) Implementation of transportation plan. It is the operator's responsibility to implement the transportation plan.
- (r) Access roads.
  - (1) Access roads to a production site:
    - a. Shall be a graded roadway having a prepared subgrade and an aggregate base course surface a minimum of 10 inches thick compacted to a minimum density of 95% of the maximum density determined in accordance with generally accepted engineering sampling and testing procedures.
    - b. Aggregate base course at a minimum shall meet the requirements for the Colorado Department of Transportation's class 1, 4, 5, or 6 aggregate base courses as specified in the Colorado Department of Transportation's standard specifications for road and bridge construction, latest edition.
    - c. Shall be graded so as to provide drainage from the roadway surface, and constructed to allow for cross drainage of waterways (i.e., roadside swales, gulches, rivers, creeks, etc.) by means of an adequate culvert pipe. Adequacy of the pipe shall be subject to approval of the development engineering manager.
  - (2) Access roads to a well site:
    - a. Shall be graded, dirt roadway compacted to a minimum density of 95%

of the maximum density determined in accordance with generally accepted engineering sampling and testing procedures.

- b. Shall be graded so as to provide drainage from the roadway surface, and constructed to allow for cross drainage of waterways by means of an adequate culvert pipe. Adequacy of the pipe shall be subject to approval of the development engineering manager.
- (3) All proposed access roads that gain access off of a paved public right-of-way shall be improved to the following minimum standards:
- a. An access width of 24 feet with paved 35-foot radii at each side of the access road at the point of intersection with the public right-of-way.
  - b. A minimum of 6 inches of asphalt pavement over the initial 24-foot portion of the proposed access road, beginning at the edge of the existing pavement of a paved public right-of-way; and 2 inches minimum for gravel shoulders on either side of the asphalt pavement. The operator shall maintain the private access portion of this road.
  - c. Road shall be improved from the point of connection a minimum distance of 200 feet on the access road.
  - d. Traction chains from heavy equipment shall be removed before entering public roadways.
  - e. Operator shall take all practicable measures to ensure that production and transport truck traffic does not track mud or debris onto public roads. If mud or debris is nonetheless deposited on a public road, the operator shall be required to clean the roadway in accordance with the requirement of Section 38-394 of the Code; this obligation is in addition to the general maintenance obligations in subsection (d) below.
- (4) General maintenance obligations to clean the road shall include use of a street sweeper to clean public access roads from all dust, mud, or debris daily or more frequently as deemed necessary by the city. All such street cleaning shall be to the satisfaction of the city. Snow removal shall be on the private portion of the access roads referenced in subsection (3)(c) above, and shall occur within 24 hours of storms which produced accumulations of snow of 2 inches depth or greater. The operator shall keep all private roads and access roads in good repair at all times such that the roads continue to meet the road standards set forth herein.
- (s) Municipal services and service delivery systems. The oil and gas operation shall not have a significant adverse impact on the capability of the city to provide municipal services or the capacity of the service delivery systems.
- (t) Recreation. The operator shall implement the recreation impact assessment and mitigation plan so as not to cause significant degradation to outdoor activity areas within 1000 feet of the oil and gas operation.

- (u) Control of fire hazards.
  - (1) Fire hazards that are discovered must be moved to a location at least 25 feet from the wellhead, tanks, and separator.
  - (2) The site of the oil and gas operation will comply with API RP 500 classifications and the national electrical code.
- (v) Landscaping and reclamation. The operator shall implement the landscaping and reclamation plan.
- (w) Lighting. The operator shall install lighting in accordance with the plan included in the lighting study.
- (x) Emergencies. The operator shall implement the emergency preparedness and response plan.
- (y) Liability insurance. All operators shall maintain general liability insurance coverage for property damage and bodily injury to third parties in the minimum amount of five million (\$5,000,000) per occurrence. Such policies shall endorse the city as an additional insured. In addition, the operator shall indemnify and defend the city for any damage or injury resulting from oil and gas operations or any hazardous or dangerous condition resulting from the operations.
- (z) Additional standards for gathering pipelines. The following standards apply specifically to construction of gathering lines owned by the operator, in addition to the applicable standards in Section 18-881 (a) thru (y) of this Division 5.
  - (1) Underground location. All gathering pipelines, whether owned by the operator or another company associated with the oil and gas operation, shall be located underground. All gathering pipelines extending beyond the boundary line of the oil and gas location shall be marked every 300 feet to 350 feet with a marker approved by the city.
  - (2) Alignment. Gathering pipelines shall be aligned with established roads and share existing pipeline rights-of-way or consolidate new corridors for pipeline rights-of-way whenever possible. If it is not possible to align with existing right-of-ways, any gas gathering pipeline must be located at least 500 feet from the nearest exterior wall of any building that is required to obtain a certificate of occupancy pursuant to the Code.
  - (3) Water body crossing. Boring technology must be used for gathering pipelines crossing streams, rivers, or irrigation ditches.
  - (4) Compliance with floodplain regulations. Gathering pipelines located in or crossing an area of special flood hazard shall comply with the requirements of the city's floodplain regulations in Chapter 18, Article V, Division 7.
  - (5) Operations and maintenance. Operations and maintenance shall be

conducted in accordance with the procedural manual for operations, maintenance, and emergencies prepared in conformance with 40 CFR § 192.605 for gas gathering pipelines or 40 CFR § 195.402 for oil gathering pipelines. This manual will be provided to the city before initial operations commence.

- (6) GPS information and as-built drawings. Within 30 days of completing construction, the following information shall be provided to the city manager:
  - a. Global positioning system (GPS) information sufficient to locate the gathering pipeline in a format compatible with the city's GIS system.
  - b. As-built drawings showing the size, length and depth of the gathering pipeline.
  - c. Engineering plans, drawings, and maps with summarized specifications showing the horizontal location, covering depths, and location of shutoff valves of the gathering pipeline. The drawings shall show the location of other pipelines and utilities that are crossed or paralleled within 15 feet of the gathering pipeline right-of-way.
  - d. Detailed cross-section drawings for all public rights-of-ways and easement crossings on city property.
  - e. A list of the names and mailing addresses of all residents, property owners, and tenants adjacent to the gathering pipeline construction.
- (7) Recordation of as-built location and abandonment.
  - a. A legal description of the gathering pipeline location shall be recorded with the city and the county clerk and recorder within 30 days after construction is completed.
  - b. Notice to the city shall be given of abandonment of any recorded gathering pipeline within 30 days after abandonment.
- (8) Restoration of site upon completion of construction. Within 30 days after construction of a gathering pipeline is completed, the affected property shall be graded, leveled, and restored to the same surface condition, as nearly as practicable, as existed before construction activities were first commenced.
- (9) Valves. Gathering pipeline shall be equipped with automatic shut-off valves or remote control valves.
- (10) Computerized monitoring and leak detection. Gathering pipelines shall be equipped with computerized monitoring and leak detection that provides immediate notice of any leak to the city's emergency response providers.
- (11) Notification of gas leaks. The Thornton Fire Department, the hazmat team, the city's emergency and safety administrator, and the city manager shall be

notified immediately of gas leaks.

- (12) Oil gathering pipelines. These additional requirements apply to oil gathering pipelines.
- a. Setback. Oil gathering pipelines shall be located a minimum distance of 500 feet from the nearest exterior wall of any building that is required to obtain a certificate of occupancy pursuant to the Code.
  - b. Periodic reports and reporting of accidents and safety-related conditions for oil gathering pipelines.
    1. Operator shall provide the city manager with copies of the periodic reports at the time of reporting to the pipeline hazardous material safety administration ("PHMSA").
    2. Operator shall notify the city manager of accidents and safety related conditions at the time of reporting to the PHMSA.
- (13) Gas gathering pipelines These standards apply to gas gathering pipelines located in areas with 10 or fewer buildings, or outdoor areas of public assembly within 220 yards on either side of the centerline of any continuous mile of pipeline. Pipelines in other areas are subject to PUC regulations.
- a. Hoop stress of 20% or more MAOP or more than 125 psig. Metallic gathering pipelines with a MAOP that produces a hoop stress of 20% or more of the SMYS or non-metallic gathering pipelines with a MAOP of more than 125 psig shall comply with the transmission line requirements of 49 CFR §192, except for subpart D § 192.150, *passage of internal inspection devices*.
  - b. Hoop stress of less than 20% MAOP or 125 psig or less. Metallic gathering pipelines with a MAOP that produces a hoop stress of less than 20% of the SMYS or non-metallic gathering pipelines with a MAOP of 125 psig or less shall comply with the following:
    1. If a line is new, replaced, relocated, or otherwise changed, the design, installation, construction, initial inspection, and initial testing must comply with the following:
      - i. Design and installation:
        - (i) 49 CFR § 192 subpart B
        - (ii) 49 CFR § 192 subpart C
        - (iii) 49 CFR § 192 subpart D, except for § 192.150, *Passage of internal inspection devices*
      - ii. Construction and inspection: 49 CFR § 192 subpart B

- iii. Initial testing: 49 CFR § 192 subpart J.
2. Metallic gathering pipelines shall comply with corrosion control requirements of 49 CFR § 192, subpart L.
3. Damage prevention program described in 49 CFR § 192.614, subpart L.
4. Public education program required by 49 CFR § 192.616, subpart L.
5. Install and maintain line markers required by 49 CFR § 192.707, subpart M.
6. Leakage control program according to 49 § 192.723(b), subpart M.
7. Procedural manual addressing the maintenance and operational requirements of this section.
8. Implementation of the gas pipeline integrity management plan.

**Sec. 18-882. Waiver of oil and gas standards.**

An applicant may request a waiver of one or more of the oil and gas standards in this Division 5 because of operational conflict, technical infeasibility, or for environmental protection purposes.

- (a) Operational conflict. An oil and gas standard in Division 5 may be waived by the city council for operational conflict, asserted by the applicant at any time during the application review process and prior to the final decision on the application. An operational conflict exists if compliance with the oil and gas standard would materially impede or destroy the state's interest in the responsible and balanced development, production, and utilization of oil and gas consistent with and subject to the protection of protection of public health, safety and welfare, including protection of the environment and wildlife resources.
  - (1) Waiver request. Upon written request by the applicant, a public hearing before the city council will be scheduled to take place as soon as possible following receipt of the written waiver request.
  - (2) Public notice of city council hearing on waiver request.
    - a. The notice of public hearing on the waiver request shall be prepared by the city manager and shall include a description of the oil and gas standard(s) sought to be waived and the date and location of the hearing. The public hearing on the waiver request will be consolidated with the public hearing on the underlying application.

- b. Not less than 10 days prior to the date of the public hearing, the city manager shall give notice of the public hearing on the waiver request by any means of publication.
  - c. Not less than 10 days prior to the date of the public hearing on the waiver request, the city manager shall mail written notice of the public hearing to owners of real property lying within one-half mile of the boundary of the oil and gas operation. Measurement of the one-half mile shall include streets and alleys. The applicant shall provide the names and addresses of the parties to be notified, using the most current list of property owners on file with the county assessor.
- (3) Decision by city council. The city council may waive the standard if it is determined, based on evidence and testimony at the hearing, that compliance with the oil and gas standard will create an operational conflict as described in Section 18-882(a). The city council may impose conditions that are necessary to minimize any negative impacts of the waiver.
- (b) Technical infeasibility waiver. An oil and gas standard may be waived by the city council for technical infeasibility, asserted by the applicant at any time during the application review process and prior to the final decision on the application. The city council may approve the request for waiver if it is determined that there is no economical technology commercially available to conduct the oil and gas operation in compliance with the standard; and conduct of the oil and gas operation, if the standard is waived, will be protective of public health, safety, welfare, and the environment.
- (1) Waiver request. Upon written request by the applicant, a public hearing before before the city council will be scheduled to take place as soon as possible following receipt of the written waiver request. The public hearing on the waiver request will be consolidated with the public hearing on the underlying application.
- (2) Notice of public hearing.
- a. The notice of public hearing on the waiver request shall be prepared by the city manager and shall include a description of the oil and gas standard(s) sought to be waived, and the date and location of the hearing.
  - b. Not less than 10 days prior to the date of the public hearing, the city manager shall give notice of the public hearing on the waiver request by any means of publication.
  - c. Not less than 10 days prior to the date of the public hearing on the waiver request, the city manager shall mail written notice of the public hearing to owners of real property lying within one-half mile of the boundary of the oil and gas operation. Measurement of the one-half mile shall include streets and alleys. The applicant shall provide the names and addresses of the parties to be notified, using the most

current list of property owners on file with the county assessor.

- (3) Decision by city council. City council may waive the standard if it determines, based on evidence and testimony at the hearing, that compliance with the oil and gas standard is technically infeasible as described in Section 18-882(b). The city council may impose conditions that are necessary to minimize any negative impacts of the waiver.
- (c) Environmental protection. The applicant may make a written request to the city manager for a waiver based on environmental protection at any time during the application review process prior to the final decision on the application. The city manager may approve the request for waiver if protection of public health, safety, welfare, and the environment will be enhanced by an alternate best management practice or technology approach proposed by the applicant and not contemplated by the standard.

## **DIVISION 6. OPERATOR AGREEMENT**

### **Sec. 18-883. Operator agreement option.**

- (a) In lieu of submitting an application for a permit pursuant to these regulations, following the pre-application conference an operator may seek permission from the city manager to enter into negotiations for an operator agreement between the city and the operator for oil and gas operations. The terms and conditions of any operator agreement will be at least as protective of public health, safety, welfare, and the environment as the protections afforded by the requirements and standards of these regulations.
- (b) The city manager may use discretion to choose not to enter into negotiations for an operator agreement and instead, direct the applicant to submit an application for a permit pursuant to Division 3 or Division 4 of these regulations.
- (c) If the city manager chooses to enter into negotiations with the operator, the city manager, and such legal or technical consultants he deems necessary, shall conduct negotiations with the operator. The city manager may request from the operator whatever information deemed necessary to fully understand the proposed oil and gas operation, its potential impacts, proposed mitigation, and related issues. All costs associated of the negotiations shall be borne by the operator.
- (d) If the operator and the city manager fail to come to terms on a mutually acceptable operator agreement, the operator must apply for and receive approval of a permit under these regulations before commencing any oil and gas operation in the city.

### **Sec. 18-884. Preparation and approval of operator agreement by city council.**

If negotiations are successful, the city manager, in consultation with the operator, will prepare a final draft of the negotiated operator agreement, and present the operator agreement to the city council at a regular or special meeting. The city council may approve

or reject the operator agreement.

**Sec. 18-885. Enforcement of operator agreement.**

If the operator violates any terms and conditions of the operator agreement, the violation shall constitute a violation of these regulations subject to the enforcement provisions in Division 7.

**DIVISION 7. ENFORCEMENT**

**Sec. 18-886. Oil and gas operations in violation of these regulations .**

It shall be unlawful for any operator engaging in oil and gas operations wholly or partially within the city to fail or refuse to obtain authorization by the city to conduct oil and gas operations pursuant to these regulations, or for an operator to violate any term or condition of a permit or operator agreement, which violation shall be subject to a penalty as prescribed by the Code. In addition, any operator who has violated this section may have any authorization pursuant to these regulations revoked, and may be enjoined by the city from engaging in such oil and gas operations and may be subject to such other criminal or civil liability as may be prescribed by the Code or otherwise by law.

**Sec. 18-887. Inspections.**

The city may inspect and monitor all oil and gas operations for road damage, and compliance with the city 's fire codes, building codes, conditions of approval imposed under these regulations or other applicable city requirements. By accepting an approved permit or entering into an operator agreement, the operator grants consent to such inspections.

- (a) Right to enter. For the purpose of implementing and enforcing these regulations, duly authorized city personnel or contractors may enter onto the operator's property upon a minimum 3 days' notice (or less in emergencies) to the operator or any other party holding any record interest in the property.
- (b) Operator contact. The operator shall provide the telephone number and email address of a contact person who may be reached 24 hours a day for purposes of being notified of any proposed city inspection under this section.
- (c) Inspection fees. The city shall impose a reasonable fee to cover the cost of inspection and monitoring for road damage and compliance with the city 's fire codes, building codes, and conditions of approval imposed under these regulations.
- (d) Denial of entry to operator's property for inspections. If entry is denied, the city may discontinue application processing, initiate the process to revoke authorization to conduct oil and gas operations pursuant to Section 18-888, initiate termination of an operator agreement, or obtain an order from a court of competent jurisdiction to obtain entry to operator's property.

**Sec. 18-888. Revocation of authorization to conduct oil and gas operations.**

- (a) If the city manager believes an operator has failed to conduct its oil and gas

operations in accordance with the terms and conditions of the approved permit or an operator agreement, the city manager may initiate proceedings herein to revoke or suspend the authorization to conduct oil and gas operations.

- (1) As a condition precedent to initiating a proceeding to revoke an authorization to conduct oil and gas operations, the city must provide written notice to the operator specifying, in reasonable detail, the factual basis to assert the failure of the operator to comply with city requirements, and the remedy required. The operator shall have 10 days from the date of the receipt of the notice to commence actions to remedy the failure and such actions shall be completed within a reasonable time.
  - (2) If the operator fails to remedy a failure in the manner set forth above, the city manager shall request a hearing before the city council. Upon 10 days written notice sent by certified mail to the operator, the city council shall schedule a public hearing on the alleged failure of the operator to comply with the authorization to conduct oil and gas operations. At such hearing, the city council may determine that no such failure occurred, that such failure occurred but was remedied in the manner set forth above, or that such failure occurred and has not been remedied.
- (b) If the city council finds that the operator has failed to comply with the authorization to conduct oil and gas operations and such failure has not been remedied, the city council, upon a 15 day notice to operator prior to such action (or shorter in emergencies), may act in its discretion to suspend or revoke the authorization to conduct oil and gas operations.

Upon such revocation, operator shall cease the oil and gas operation at issue until it obtains approval for such operation under the then-applicable regulations. If the operator fails to comply, the city may initiate a legal proceeding to enforce the city council's order.

## **DIVISION 8. GUARANTY**

### **Sec. 18-889. Guaranty.**

The city shall require financial security in a form and amount approved by the city, to guaranty compliance with the city's fire codes, building codes, conditions of approval imposed under these regulations and other applicable city requirements.

2. Chapter 18, Article XI, Section 18-901 of the Thornton City Code is hereby amended by deletion of the words stricken to read as follows:

~~Accessory equipment means any equipment which is integral to the production and operation of an oil or gas well, including but not limited to tanks, treaters, separators and production pits.~~

~~Act means the Oil and Gas Conservation Act of the state.~~

~~Designated agent means, for the purposes of Article X, the designated representative of any producer, operator, transporter, refiner, gasoline or other extraction plant operator or owner.~~

~~Local government designee means the director who receives, on behalf of the city, copies of all documents required or requested to be filed with the local government designee pursuant to the OGCC regulations and these rules.~~

~~OGCC means the Oil and Gas Conservation Commission~~

~~Operating plan means a general description of an oil or gas well facility identifying purpose, use, typical staffing pattern, seasonal or periodic considerations, routine hours of operation, source of services/infrastructure, and any other information related to regular functioning of that facility.~~

~~Operator means the person designated as operator and named in OGCC form 2 or a subsequently filed OGCC form 10.~~

~~Owner means, for the purposes of Article X, any person with a working interest ownership in the oil and gas or leasehold interest therein.~~

~~Tank means any container used in conjunction with the production or storage of petroleum and hydrocarbon substances, stored at or near atmospheric pressure.~~

~~Treatment facilities, for the purposes of oil and gas well regulations in Article X, means any plant, equipment or other works used for the purpose of treating, separating or stabilizing any substance produced from a well.~~

~~Twinning means the drilling of a well adjacent to or near an existing well bore when the existing well cannot be drilled to the objective depth and/or produced due to an engineering problem such as collapsed casing or formation damage.~~

~~Urbanized area, for the purposes of oil and gas well regulations in Article X, means an area determined by the board to contain an average residential density equal to or greater than one dwelling unit per 2.5 acres or that has an average of 50,000 square feet or greater of gross floor area devoted to nonresidential structures.~~

3. If any portion of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the constitutionality or validity of the remaining portions of this ordinance. City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared unconstitutional or invalid.
4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portions hereof are hereby repealed to the extent of such inconsistency or conflict.
5. The repeal or amendment of any provision of the Code by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision,

and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

6. This ordinance shall take effect upon final passage.

INTRODUCED, READ, PASSED on first reading, ordered posted in full, and title ordered published by the City Council of the City of Thornton, Colorado, on \_\_\_\_\_, 2017.

PASSED AND ADOPTED on second and final reading on \_\_\_\_\_ 2017.

CITY OF THORNTON, COLORADO

\_\_\_\_\_  
Heidi K. Williams, Mayor

ATTEST:

\_\_\_\_\_  
Kristen N. Rosenbaum, City Clerk

THIS ORDINANCE IS ON FILE IN THE CITY CLERK'S OFFICE FOR PUBLIC INSPECTION.

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
Luis A. Corchado, City Attorney

PUBLICATION:

Posted in six (6) public places after first and second readings.

Published in the Northglenn-Thornton Sentinel after first reading on \_\_\_\_\_, 2017, and after second and final reading on \_\_\_\_\_, 2017.