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ORDINANCE NO. _____

AN ORDINANCE RELATING TO OIL AND GAS, AMENDING CHAPTER 37 OF THE OKLAHOMA CITY MUNICIPAL CODE, 2020, AMENDING ARTICLE I – IN GENERAL, BY AMENDING SECTIONS 37-1 – PURPOSE AND INTENT OF CHAPTER, 37-2 - DEFINITIONS, 37-9 - APPLICABILITY OF ARTICLE II, DIVISION 1, AND ARTICLE III OF THIS CHAPTER AND 37-15 – DUTIES, TO COMPLY WITH STATE LAW; AMENDING ARTICLE II – ADMINISTRATION, ENFORCEMENT AND PENALTIES, BY AMENDING SECTION 37-37 - DRILLING PERMIT REQUIRED IN OIL AND GAS DISTRICT OR U-7 ZONE, TO REMOVE REFERENCE TO THE U-7 ZONE; AMENDING SECTION 37-39 - APPLICATION FOR PERMIT; PERMIT FEE, TO REMOVE CERTAIN PERMIT APPLICATION REQUIREMENTS AND RENUMBER; AMENDING SECTION 37-40 - PERMIT REQUIRED FOR DRILLING OR OPERATION OF ENHANCED RECOVERY OR SALTWATER OR DELETERIOUS SUBSTANCES DISPOSAL WELLS, TO RENUMBER; AMENDING SECTION 37-41 - APPLICATION FOR PERMIT AND PERMIT FEE FOR ENHANCED RECOVERY AND DISPOSAL WELL, TO REMOVE CERTAIN APPLICATION REQUIREMENTS AND RENUMBER; AMENDING SECTIONS 37-42 - INSURANCE COVERAGE REQUIRED, 37-43 - ISSUANCE OR REFUSAL OF PERMIT AND 37-44 - ANNUAL FEE TO OPERATE, TO RENUMBER; AMENDING SECTION 37-50 - POWER AND AUTHORITY OF INSPECTOR, TO REMOVE REFERENCE TO SECTION 37-51; AMENDING SECTIONS 37-52 – APPEALS AND 37-58 – VIOLATIONS, PENALTIES, TO REMOVE CERTAIN PENALTY PROVISIONS AND RENUMBER; REPEALING SECTIONS 37-26, 37-27, 37-28, 37-29, 37-30, 37-38, 37-45 AND 37-51 IN THEIR ENTIRETY TO DELETE REQUIREMENTS RELATED TO THE U-7 ZONE, REMOVE ANNUAL REPORTING REQUIREMENTS, CERTAIN PERMITTING REQUIREMENTS, AND AUTHORITY TO CEASE OPERATIONS; AMENDING ARTICLE III – DRILLING AND OPERATION OF OIL AND GAS WELLS, BY REPEALING SECTIONS 37-84 AND 37-85 RELATED TO DRILLING EQUIPMENT AND CORPORATION COMMISSION REQUIREMENTS; AMENDING SECTION 37-86 – FENCING, SCREENING AND LANDSCAPING, TO REMOVE LANDSCAPING REQUIREMENTS AND RENUMBER; AMENDING SECTION 37-87 – NOISE AND OTHER NUISANCES, TO RENUMBER; REPEALING SECTIONS 37-88 THROUGH 37-90, RELATING TO FACILITIES, FIRE PREVENTION AND PITS; AMENDING SECTION 37-91 – MOTIVE POWER, TO RENUMBER; REPEALING SECTIONS 37-92 THROUGH 37-98, TO COMPLY WITH STATE LAW; AMENDING SECTION 37-99 - INGRESS AND EGRESS, TO RENUMBER; REPEALING SECTIONS 37-100 THROUGH 37-105 TO COMPLY WITH STATE LAW; AMENDING SECTION 37-106 - DEPOSITING OIL PRODUCTS, TO RENUMBER; REPEALING SECTIONS 37-107 THROUGH 37-112 TO COMPLY WITH STATE LAW; AMENDING SECTION 37-113 - WELLS WITHIN WATERSHED AREAS OF CITY

WATER RESERVOIRS AND OTHER AREAS NEAR THE RESERVOIRS, TO RENUMBER; REPEALING SECTIONS 37-114 THROUGH 37-118 TO COMPLY WITH STATE LAW; AMENDING SECTION 37-119 - BLANKET BOND OR BLANKET IRREVOCABLE LETTER OF CREDIT REQUIRED, TO RENUMBER; REPEALING SECTION 37-120 IN ITS ENTIRETY TO REMOVE PREEMPTED WELL OPERATION REGULATIONS; AND REPEALING ARTICLE IV – ARTIFICIAL PRODUCTION, ARTICLE V – SWABBING WELLS AND ARTICLE VI – LOADING RACKS, OF SAID CHAPTER IN THEIR ENTIRETY TO REMOVE PREEMPTED ARTIFICIAL PRODUCTION, WELL SWABBING AND LOADING RACK REGULATIONS.

ORDINANCE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OKLAHOMA CITY:

SECTION 1. That Sections 37-1, 37-2, 37-9 and 37-15 of Article I, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby amended to read as follows:

CHAPTER 37 - OIL AND GAS

ARTICLE I. - IN GENERAL

DIVISION 1. PURPOSE, INTENT AND DEFINITIONS

§ 37-1. - Purpose and intent of chapter.

In order to protect the public health, peace, safety and welfare of the City and its residents, this chapter is enacted subject to Title 52 O.S. §137.1, to establish reasonable and uniform limitations, safeguards, and controls for the drilling, operation, and production of oil, gas, and other hydrocarbon substances within the corporate limits of this City. The provisions set forth in this chapter shall be considered as minimum requirements and shall not relieve any person from any duty imposed by law to use reasonable care and take reasonable precautions for the safeguarding of people and the protection of and noninterference with property rights.

§ 37-2. - Definitions.

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (1) *Abandoned well* means any well in which production casing has been run but which has not been operated for six months, and any well in which no production casing has been run, and for which drilling operations have ceased for 30 consecutive days.
- ~~(2) *Artificial production* means the raising to the surface of the earth, by means other than natural flow, of petroleum or natural gas.~~
- ~~(3)~~ *Building* means any structure used or intended for supporting or sheltering any use or occupancy. The term "building" shall be construed as if followed by the words "or portions thereof."

- (43) *Corporation Commission* means the Oklahoma Corporation Commission.
- (54) *Deleterious substance* means any chemical, saltwater, oilfield brine, waste oil, waste emulsified oil, basic sediment, mud, or injurious substances produced or used in the drilling, development, production, transportation, refining and processing of oil, gas, or condensate.
- (65) *Enhanced recovery* means an operation by which fluid or energy is introduced into a source of supply for the purpose of facilitating recovery therefrom.
- (76) *Highway* means the entire width between the boundary lines of every way publicly maintained when any part thereof is open to the use of the public for purposes of vehicular travel.
- (87) *Inspector* means ~~that~~ any person(s) designated by the Development Services Director employed by the City to enforce the provisions of this chapter, or his authorized representatives.
- (98) *Motor vehicle* means any automobile, truck, truck tractor, trailer or semitrailer or any motor bus or any self-propelled vehicle not operated or driven upon fixed rails or tracks.
- ~~(10) *Natural production* means the rising to the surface of the earth, by natural flow, of petroleum or natural gas.~~
- (119) *Operator* means any person who owns or who has ever owned any working interest in any well bore located within the corporate limits of the City and any person who operates or who has ever operated any well on a contractual basis for any working interest owner.
- ~~(1210)~~ *Permittee* means the person to whom a permit is issued under the provisions of this chapter.
- ~~(1311)~~ *Person* means and includes any person, firm, partnership, association, corporation, trust, cooperative, or other type of organization.
- ~~(1412)~~ *Pollution* means the contamination or other alteration of the physical, chemical, or biological properties of any natural waters of the City, or such discharge of any liquid, gaseous or solid substance into any water of the City as will or is likely to create a nuisance or render such waters harmful or detrimental or injurious to public health, safety, or welfare, to domestic, commercial, industrial, agricultural, recreational, or other beneficial uses, or to livestock, animals or aquatic life.
- ~~(15) *Pressure maintenance* means an operation by which gas, water or other fluids are injected into a supply of oil to maintain pressure or retard pressure decline therein for the purpose of facilitating recovery therefrom, and which has been approved by the corporation commission after notice and hearing.~~
- (1613) *Public building* means all buildings used or designed and intended to be used for the gathering together of 50 or more persons for such purposes as deliberation, entertainment, amusement, health care, or awaiting transportation. Public buildings include, but shall not be limited to:
- a. theaters.
 - b. motion picture theaters.

- c. assembly halls.
- d. auditoriums.
- e. exhibition halls.
- f. museums.
- g. libraries.
- h. skating rinks.
- i. gymnasiums.
- j. bowling lanes.
- k. pool rooms.
- l. armories.
- m. mortuary chapels.
- n. dance halls.
- o. club rooms.
- p. recreation piers.
- q. courtrooms.
- r. conference rooms.
- s. drinking establishments.
- t. hospitals.
- u. restaurants.

(1714) *State* means the State of Oklahoma, its branches, departments, agencies, boards or the officers thereof.

(1815) *Structure* means that which is built or constructed. The term "structure" shall be construed as if followed by the words "or portion thereof."

(1916) *Treatable water or fresh water* means surface and subsurface water in its natural state which may or may not require treatment to be useful for human consumption, and contains less than 10,000 ppm total dissolved solids and/or 5,000 ppm chlorides.

~~(20) *Water or waters of the City* means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and all other bodies or accumulations of water, surface and underground, natural or artificial, public or private, which are contained within, flow through or border upon the City or any portion thereof.~~

(2117) *Well* means, unless specifically qualified, any hole or holes, bore or bores, of any depth for the purpose of producing and recovering any oil, gas, minerals or liquefied matter, or for the injection or disposal of any of the foregoing.

(2218) All technical or oil and gas industry words or phrases used herein and not specifically defined herein shall have that meaning customarily attributable thereto by prudent operators in the oil and gas industry.

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DIVISION 2. APPLICABILITY OF CHAPTER

* * *

§ 37-9. - Applicability of Article II, Division 1, and Article III of this chapter.

The provisions of Article II, Division 1, and Article III of this chapter shall be applied by the inspector as follows:

- (1) the provisions of Sections 37-37, 37-38, 37-39, and 37-40, ~~and 37-41~~ shall apply to all wells located within the City on or after November 8, 1985, regardless of the respective dates on which operations were/are originally commenced for said wells; provided, however, that such sections shall not be applied to any wells for which operations were originally commenced prior to November 8, 1985, in full compliance with the then applicable City permitting requirements.
- (2) the provisions of Section 37-421 shall apply to all wells located within the City in accordance with Subsection (d) of such section.
- (3) the provisions of Section 37-443 shall apply to all wells located within the City; provided, however, that in the event a particular well was drilled prior to the requirement for a City permit, then the anniversary date for payment of the annual inspection fee shall be deemed to be the first day of December of each year commencing with December 1, 1985.
- ~~(4) the provisions of Section 37-81 shall be applied in accordance with Subsection (3) thereof.~~
- (~~5~~4) the provisions of the following sections shall apply only to wells and well sites at which operations were/are originally commenced on or after November 6, 1984:

- § 37-82
- § 37-83
- § ~~37-86~~(b)
- § ~~37-96~~
- § ~~37-112~~
- § ~~37-113~~89.

- (~~6~~5) the provisions of the following sections shall apply to operations at all wells and well sites within the City, regardless of the respective dates on which operations were/are originally commenced for said wells or well sites:

- ~~Section 37-84~~
- ~~Section 37-85~~
- Section 37-864(a)
- ~~Section 37-86~~(e)
- Section 37-8785
- ~~Section 37-88~~
- ~~Section 37-89~~
- ~~Section 37-90~~
- Section 37-9186
- ~~Section 37-92~~

~~Section 37-93~~
~~Section 37-94~~
~~Section 37-96~~
~~Section 37-97~~
~~Section 37-98~~
~~Section 37-99~~
~~Section 37-100~~
~~Section 37-101~~
~~Section 37-102~~
~~Section 37-103~~
~~Section 37-104~~
~~Section 37-105~~
~~Section 37-106~~
~~Section 37-107~~
~~Section 37-108~~
~~Section 37-109~~
~~Section 37-114~~
~~Section 37-116~~

- ~~(7) the provisions of Section 37-95 shall apply to all wells located within the City; provided, however, that such section shall not be applied to require the reinstallation or replacement of any technically and structurally sound surface casings set prior to November 8, 1985, in full compliance with the then applicable State and City regulations.~~
- ~~(8) the provisions of Section 37-111 shall apply to all wells located within the City; provided, however, that such section shall not apply to any wells plugged and abandoned prior to November 8, 1985, in full compliance with the then applicable State and City regulations.~~
- ~~(9) the provisions of Section 37-115 shall apply to all enhanced recovery or disposal wells located within the City.~~
- ~~(10) the provisions of Section 37-117 shall apply to all wells located within the City; provided, however, that the provisions of such section shall not be applied to require the relocation or removal of any surface facilities installed prior to November 8, 1985, in full compliance with the then applicable State and City regulations.~~

DIVISION 3. OIL AND GAS INSPECTOR

§ 37-15. - Duties.

- (a) ~~The City Manager shall employ~~ Director of the Development Services Department shall designate an inspector(s) and assistants, if necessary, whose duty it shall be to enforce the provisions of this chapter.
- (b) ~~The inspector shall have the authority to issue any orders or directives required to carry out the intent and purpose of this chapter and its particular provisions. citations for the failure of any person to comply with any such order or directive shall constitute a violation of this chapter.~~ provisions of this chapter.

- (c) The inspector shall have authority to enter and inspect any premises covered by the provisions of this chapter to determine compliance with the provisions of this chapter. ~~and all applicable laws, rules, regulations, standards or directives of the state.~~ Failure of any person to permit access to the inspector shall constitute a violation of this chapter.
- ~~(d) The inspector shall have the authority to request and receive any records, logs, reports and the like relating to the status or condition of any well or project or the appurtenances thereof within the City. This material shall remain confidential unless necessary as evidence of the violation of any of the provisions of this chapter. Failure of any person to provide any such requested material shall be deemed a violation of this chapter.~~
- ~~(e) In the case of a well being drilled outside of the Oil and Gas District or U-7 Zone pursuant to a variance granted by the Board of Adjustment of the City, the inspector shall be bound by any conditions placed upon the grant of the variance by the Board of Adjustment and shall have no authority to vary such conditions. In the case of an enhanced recovery or disposal well being allowed pursuant to a special exception granted by the Board of Adjustment, the inspector shall be bound by any conditions placed upon the special exception and shall have no authority to vary such conditions.~~

SECTION 2. That Sections 37-26, 37-27, 37-28, 37-29 and 37-30 of Article I, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby repealed in their entirety.

SECTION 3. That Sections 37-38, 37-45, and 37-51 of Article II, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby repealed in their entirety.

SECTION 4. That Sections 37-37, 37-39, 37-40, 37-41, 37-42, 37-43, 37-44, 37-50, 37-52 and 37-58 of Article II, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby amended to read as follows:

ARTICLE II. - ADMINISTRATION, ENFORCEMENT AND PENALTIES

DIVISION 1. - ADMINISTRATION

§ 37-37. - Drilling permit required in City Limits~~Oil and Gas District or U-7 Zone.~~

No person shall drill or open a well for the production of petroleum or natural gas or permit to flow therefrom any petroleum or natural gas, or engage in any work or erect any structures, tanks, machinery, pipelines or other appurtenances incident to the production of petroleum or natural gas, or operate, maintain, or permit to exist any equipment, structures, or appurtenances incident to such production or use or maintain any property or premises for such production within city limits ~~the Oil and Gas District or U-7 Zone~~ unless a permit for such drilling and operation shall have been obtained as provided by the terms of this chapter.

§ 37-398. - Application for permit; permit fee.

- (a) Every application for a permit to drill and operate an original well or to re-enter and operate an abandoned well shall be in writing and signed by the applicant or by some person duly authorized to sign on his behalf, and it shall be filed with the ~~inspector~~ Development Center and be accompanied by a nonrefundable application fee in the amount established in Chapter 60, the General Schedule of Fees. ~~The application fee shall be paid by cashier's check.~~ The permittee shall pay an additional nonrefundable operating permit fee in the amount established in Chapter 60, the General Schedule of Fees, when the drilling permit is approved and accepted, ~~and this payment shall also be in the form of a cashier's check.~~ The applicant shall submit ~~two~~ one copy ~~copies~~ of the application and all required documents. The application shall contain full information as required by the inspector, including the following:
- (1) name and address of applicant and date of application.
 - (2) location of the proposed well, including the following:
 - a. ~~a map of the 26 acres surrounding the drill site, including thereon the location of the proposed well, and the~~ The distances therefrom to all existing dwelling houses, buildings, or other structures designed for the occupancy of human beings or animals within 600 feet of any such well, and the location of all existing oil, gas or fresh water wells within 600 feet of the proposed well bore. The map shall also show the location of proposed surface facilities associated with the proposed well.
 - b. ~~the names of all surface fee simple and surface leasehold owners of property located within 1,000 feet of the proposed well and surface facilities.~~
 - (3) a copy of the approved drilling permit (approved Intent to Drill Form) from the corporation commission, a copy of all documents submitted to the corporation commission, and a copy of the staking plat.
 - ~~(4) a drilling prognosis, to specify in detail the amount, weight, and size of conductor pipe, surface pipe and production pipe, and the procedures to be used for cementing each. The drilling prognosis shall also include all of the information shown in Exhibit A as attached to Ordinance No. 18273 and incorporated into this article by reference. Plugging procedures to be used in the event production is not established shall also be specified, and a well bore diagram showing the casing and proposed plugs shall be included.~~
 - ~~(5) a statement of the provisions for water for the drilling operations.~~
 - ~~(6)~~ (4) the name and address of the person upon whom service of legal notice or service of process upon the applicant may be made within this state. Any nonresident applicant who has no service agent within this State shall attach to the application a designation of a service agent who is a resident of ~~Oklahoma County~~, Oklahoma, and a consent that service of summons or legal notice may be made upon such person in any action to enforce any of the obligations of the applicant hereunder.
 - ~~(7)~~ (5) a verification of the above information by the applicant.
 - ~~(8) if the proposed well is located outside of the boundaries of the Oil and Gas District or U-7 Zone, the applicant shall also submit a certified copy of the order by the Board of~~

~~Adjustment of the City or a certified copy of the journal entry of judgment which grants such applicant the right to drill the well at the proposed location.~~

~~(9) a bond or irrevocable letter of credit and insurance as fully described in Section 37-42 of this chapter.~~

~~(10) proof of insurance coverage as fully described in Section 37-421 of this chapter.~~

~~(11) proof of compliance with the blanket bond or irrevocable letter of credit requirements of Section 37-1190 of this chapter.~~

(b) Where the application is one for the re-entry of an abandoned well, said application shall contain all the information required by Section 37-389(a) above. Provided, however, that such application shall also provide all of the following information:

(1) a statement of:

a. the condition of the abandoned well at the time the application is filed; and

b. the depth to which it is proposed such well shall be deepened; ~~and~~

~~c. the casing program to be used in connection with the proposed deepening.~~

~~(2) a statement of the tests which will be run on the casing strings to show that the casing strings meet the same requirements for an original well. Include any proposed remedial cementing.~~

(c) No application for a permit to drill an original well or to re-enter an abandoned well shall be considered ~~to be a valid and complete application~~ unless and until the applicant shall submit the required application fee and all of the items, documents, and/or information required under Subsections (a) and/or (b) of this section.

§ 37-4039. - Permit required for drilling or operation of enhanced recovery or saltwater or deleterious substances disposal wells.

(a) No person shall convert any well from natural or primary production to a use for enhanced recovery or disposal of saltwater or deleterious substances without first obtaining a permit therefor.

(b) No person shall re-enter any abandoned well or drill an original well to be used for enhanced recovery or disposal of saltwater or deleterious substances without first obtaining a permit therefor.

§ 37-4140. - Application for permit and permit fee for enhanced recovery and disposal well.

(a) Every application for a permit as required by Section 37-4039 of this chapter shall be in the same form as that required for a permit to drill an original well. All such applications shall be filed with the ~~inspector~~ Development Center and ~~all such applications~~ shall be accompanied by a nonrefundable application fee in the amount established in Chapter 60, the General Schedule of Fees. ~~The application fee shall be paid by cashier's check.~~ The permittee shall pay an additional nonrefundable operating permit fee in the amount established in Chapter 60, the General Schedule of Fees, when the permit is approved and accepted, ~~and this payment shall also be in the form of a cashier's check.~~ The applicant shall submit ~~two copies~~ a copy of the application as required by the inspector, including the following:

(1) a block map of the well site, showing all equipment to be used thereat, location of pipelines, access road, and distances from the well to any and all fences, public roadways, and buildings within a radius of 600 feet.

(2) a block map of the project, showing: the location of all water supply, disposal, injection and producing wells; all pipelines; tank batteries, pumping station and appurtenant equipment; all wells in the project area and those located within one mile of a proposed enhanced recovery or disposal well, including producing, abandoned, disposal, and public or private fresh water supply wells.

~~(3) evidence that all fresh water zones within the project area and within one mile of a proposed enhanced recovery or disposal well will be adequately protected.~~

~~(4) all wells within the project area and within one mile of a proposed enhanced recovery or disposal well shall be indicated by status (i.e., plugged and abandoned, injection, saltwater, etc.) and show the following additional information:~~

~~a. footage location (surface casing);~~

~~b. derrick floor and ground level elevation;~~

~~c. drilled total depth;~~

~~d. plugged back total depth;~~

~~e. size, depth and quality of surface and production casing including zones from which casing has been removed;~~

~~f. location of all plugs, packers, cement plugs, tubing anchors, etc., with the well bore;~~

~~g. depth and nature of all cement squeeze jobs;~~

~~h. formation name and depth of all perforations and open hole completions;~~

~~i. volume and type of cement used on surface and production strings;~~

~~j. top of cement.~~

~~(5) one copy of all electric, mechanical, sample and driller's log, if available.~~

~~(6) fee and operator name for each well.~~

~~(7) one copy of all cement bond logs and temperature surveys which show the top of the cement outside the production casing.~~

~~(8) one copy of all work performed on the well.~~

~~(9) copies of all information supplied to the corporation commission, and said commission's approval of the project.~~

~~(10) the detail of a pressure test of the tubing-casing annulus as described in Section 37-115. The pressure test shall be required prior to the use of any such enhanced recovery or disposal well.~~

~~(11) The applicant shall also submit a certified copy of the order by the Board of Adjustment of the City or a certified copy of the journal entry of judgment which grants such applicant a special exception for such enhanced recovery or disposal well.~~

(123) proof of insurance coverage as fully described in Section 37-421 of this chapter.

(134) proof of compliance with the blanket bond or irrevocable letter of credit requirements of Section 37-~~119~~90 of this chapter.

(b) No application for a permit to drill or operate an enhanced recovery or disposal well shall be considered to be a valid and complete application unless and until the applicant shall submit the required application fee and all of the items, documents and/or information required under Subsection (a) of this section.

§ 37-421 - Insurance coverage required.

All applications for a permit under the provisions of this chapter shall be accompanied by proof of insurance coverage as follows:

(1) the applicant for a permit to drill, operate and/or produce a well located within any watershed areas of any Oklahoma City water reservoir, canal, or waterway, as defined by the Oklahoma City Water Utilities Trust, or located outside the watershed areas but within two miles of any Oklahoma City water reservoir, canal, or waterway, or located within the Garber-Wellington Aquifer recharge area, as defined by Subsection e. hereof, shall submit a pollution insurance policy with the permit application as follows:

a. applicants proposing to drill within any watershed areas of any Oklahoma City water reservoirs, canal, or waterway or located outside the watershed areas but within two miles of any Oklahoma City water reservoir, canal, or waterway, shall submit and maintain a pollution insurance policy which complies with the rules and regulations of the Oklahoma City Water Utilities Trust concerning wells being drilled within Oklahoma City watershed areas or within two miles of any Oklahoma City water reservoir, canal, or waterway.

b. applicants proposing to drill at a location within the Garber-Wellington Aquifer recharge area shall submit and maintain a pollution insurance policy which meets the following requirements:

1. said insurance policy shall be a standard pollution liability insurance policy providing for a minimum coverage of \$1,000,000.00.
2. said insurance policy must be issued by a reliable insurance broker licensed to do business in the state, with the applicant/permittee and the City named as coinsureds.

3. said insurance policy shall be maintained in full force and effect from commencement of drilling operations until the well is plugged and abandoned ~~in accordance with this chapter~~, including the entire period during which production activities are conducted. The legal description of the well location ~~and the Oklahoma City Board of Adjustment case number, if any,~~ shall be specified in the insurance policy, or any endorsement thereto, with respect to each well covered by such insurance.

c. all insurance policy or policies shall provide that they may not be canceled without written notice to the inspector at least 30 days prior to the effective date of such cancellation. In the event said policy or policies are canceled, the permit granted shall immediately terminate without any action on the part of the inspector, and the applicant/permit-tee's rights to operate under said permit shall cease until the applicant permittee files additional insurance as required herein.

d. the deductible for any pollution insurance policy shall not exceed \$25,000.00.

e. for the purposes of this subsection, the "Garber-Wellington Aquifer recharge area" shall be defined as all portions of the City within the following sections, half-sections or quarter-sections:

township	range	sections
14N	4W	24
14N	3W	19(SE/4), 20, 21, 28, 29, 30(NE/4), 32(E/2), 33
14N	1W	24, 25, 36
14N	1E	All sections
13N	3W	4(NW/4), 5(NE/4), 12(SE/4), 13, 14(NE/4, SE/4, SW/4), 23(NW/4, NE/4, SE/4), 24, 25, 26(E/2), 35(E/2), 36
13N	2W	All sections
13N	1W	1, 2, 3, 7-20, 24(N/2), 25(NW/4, SE/4, SW/4), 29(NW/4), 30(W/2)
13N	1E	5-8, 17, 18, 19(N/2)
12N	3W	1, 2(NE/4, SE/4, SW/4), 11, 12, 24(E/2), 25, 35(E/2), 36
12N	2W	All sections
11N	3W	1, 2, 11-14, 23, 24, 25(NW/4, NE/4, SE/4)
11N	2W	6(NW/4), 9(SW/4), 13-16, 19-24, 26(N/2), 27(N/2), 28, 29, 30, 35, 36

11N	1W	All sections
11N	1E	All sections
10N	2W	1, 2, 3(S/2), 10-15, 22(NW/4, NE/4, SE/4), 23-26, 27(E/2), 33(SE/4), 34, 35, 36
10N	1W	All sections
10N	1E	All sections
10N	2E	All sections

(2) in addition to the pollution insurance required in Paragraph (1) of this section, the applicant for a permit shall submit with the permit application a policy or policies of standard comprehensive public liability insurance, including contractual liability insurance covering bodily injuries and property damage naming the applicant/permittee and the City as coinsureds, issued by an insurance company authorized to do business within the state; said policy or policies in the aggregate shall provide for the following minimum coverage:

- a. bodily injuries, \$100,000.00 per person; \$300,000.00 per accident.
- b. property damage, \$200,000.00 per accident.

Said insurance policy or policies shall provide that they may not be canceled without written notice to the inspector at least 30 days prior to the effective date of such cancellation. In the event said policy or policies are canceled, the permit granted shall immediately terminate without any action on the part of the inspector and the applicant/permittee's right to operate under said permit shall cease until permittee files additional insurance as required herein.

(3) the insurance policies required by this section shall be submitted and maintained in full force and effect at all times by all persons drilling, completing, operating, maintaining and/or producing any well located within the limits of the City, whether drilling operations were commenced on, prior to or subsequent to November 6, 1984.

§ 37-432. - Issuance or refusal of permit.

(a) The ~~inspector~~Development Center shall, within 30 days after the filing of a valid and complete application for a permit under this chapter, determine whether or not such application complies with all of the provisions of this Code ~~and applicable Federal and State law~~ and, if it does, then the permit shall be issued. The ~~inspector~~ Development Center shall have 30 full days to review an application for a permit from and after the submission of the required permit fee and all other required items by the applicant; provided, however, that the ~~inspector may~~Development Center may, in ~~its~~ his sole discretion, shorten this review period. Each permit issued under the terms of this chapter shall:

(1) incorporate by reference all the provisions of this chapter with the same force and effect as if this chapter were copied verbatim therein.

(2) incorporate by reference all the provisions of applicable State law and the rules, regulations and standards adopted in accordance therewith relating to the protection of persons, animals, and natural resources.

(3) specify that the term of said permit shall be for a period of one year from the date of issuance thereof, and for like periods thereafter upon the successful inspection of the permittee's well and operations and the payment of an annual fee to operate, as provided for in this chapter.

(b) If the permit is issued, two originals of such permit shall be signed by the ~~inspector~~ Development Center and the permittee, and when so signed shall constitute the obligation of the permittee to comply with the terms of such permit, such bonds as are required, and all applicable State law, rules, regulations, standards and directives. One executed original of said permit shall be retained by the ~~inspector~~Development Center; the other shall be retained by the permittee and shall be kept available for inspection by all City or State law enforcement officials.

(c) If the permit be refused by the ~~inspector~~Development Center, or if the applicant notifies the ~~inspector~~ Development Center in writing within 30 days of the initial filing of said application that he wishes to withdraw his application, then the application process shall be considered to be terminated. If the applicant fails to accept an approved permit within six months after being notified in writing of approval by the ~~inspector~~Development Center, then the application process shall be considered to be terminated. The City shall in all events retain the application fee to cover the costs of processing said application.

§ 37-443. - Annual fee to operate.

An annual inspection fee is hereby levied upon each well operated or maintained within the City. The amount of such fee shall be as established in Chapter 60, the General Schedule of Fees. The fee shall be payable to the City on or before the annual anniversary date of the issuance of any permit under the provisions of this chapter. No permit for any well shall be considered valid for any year for which the annual inspection fee has not been paid.

DIVISION 2. – ENFORCEMENT

§ 37-50. - Power and authority of inspector.

In enforcing the provisions of this chapter, the inspector shall have such power and authority as set forth in Sections 37-15 ~~and 37-51~~ and elsewhere in this chapter.

§ 37-52~~1~~ - Appeals.

Any person aggrieved by any order, directive or ruling issued by the inspector shall have such right of appeal as provided by law. The filing of such appeal shall not stay the enforcement of any of the provisions of this chapter.

DIVISION 3. - PENALTIES

§ 37-58. - Violations, penalties.

- (a) It shall be unlawful and an offense for any person to violate or neglect to comply with any provisions of this chapter.
- (b) Any person who shall violate any of the provisions of this chapter, or any of the provisions of a drilling and operating permit issued pursuant thereto, or any condition of the bond filed by the permittee pursuant to this chapter, or who shall neglect to comply with the terms hereof, shall be guilty of a Class "a" offense.
- (c) The permittee and all of his co-owners, partners, associates, employees and contractors or any other persons who may have assisted in the commission of any violation of the provisions of this chapter shall each be deemed guilty of a separate offense.
- (d) The violation of each separate provision of this chapter, and of said permit, and of said bond, shall be considered a separate offense, and each day's violation of each separate provision thereof shall be considered a separate offense.
- ~~(e) In addition to the foregoing penalties, it is further provided that the inspector may, upon ten days written notice to the permittee, hold a hearing to consider the revocation or suspension of any permit issued under this chapter. Any violation of the provisions of this chapter or the terms of the permit shall be sufficient grounds for revocation or suspension. The written notice issued by the inspector must specify the alleged grounds for revocation or suspension and the date, time and place of the hearing.~~
- ~~(f) Any continuing offense shall be considered a public nuisance, the remedies for which under law shall be in addition to those hereinbefore enumerated.~~

SECTION 5. That Sections 37-84, 37-85, 37-88, 37-89, 37-90, 37-92, 37-93, 37-94, 37-95, 37-96, 37-97, 37-98, 37-100, 37-101, 37-102, 37-103, 37-104, 37-105, 37-107, 37-108, 37-109, 37-110, 37-111, 37-112, 37-114, 37-115, 37-116, 37-117, 37-118 and 37-120 of Article III, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby repealed in their entirety.

SECTION 6. That Sections 37-86, 37-87, 37-91, 37-99, 37-106, 37-113, and 37-119 of Article III, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, are hereby amended to read as follows:

ARTICLE III. - DRILLING AND OPERATION OF OIL AND GAS WELLS

* * *

§ 37-864. - Fencing, screening and landscaping.

- (a) Any person who owns, operates or maintains any producing well shall have the obligation to enclose said well, together with its surface facilities, by a sight proof fence sufficiently high and properly built to keep persons and animals out of the enclosure. All gates thereto shall be kept locked when authorized persons are not within the enclosure. Provided, however, that the ~~inspector~~ Development Center, upon written application by a permittee, may designate a different type of fence to be erected if ~~the it is determines~~ determined in a particular case that a sight proof fence is not necessary to protect the public health, safety and welfare and that a different type of fence would meet those objectives.
- ~~(b) Any person who completes any producing well located within 600 feet of any occupied or unoccupied dwelling shall meet the following sightproof landscaping requirements:~~
- ~~(1) such persons shall install evergreen vegetation or landscaped earth berms completely around the well site and all fences or lease equipment and facilities;~~
 - ~~(2) the vegetation or berms shall be a minimum of six feet in height;~~
 - ~~(3) the vegetation or berms shall be sufficient to screen from view the structures sought to be screened; and~~
 - ~~(4) the vegetation or berms shall be kept in an attractive state and in good condition at all times by the permittee.~~
- ~~(c) The inspector shall also have the power and authority to require such general landscaping of any well site as he deems necessary. The phrase "general landscaping" shall mean the aesthetic improvement of land by adding trees, shrubs, lawns, ground cover, or flowers.~~

§ 37-875. - Noise and other nuisances.

All drilling and production operations shall be conducted in such a manner as to eliminate, as far as possible, dust, noise, vibration or noxious odors, and shall be in accordance with the best available technology incident to exploration for, drilling for or production of oil, gas and other hydrocarbon substances. Proven technological improvements in exploration, drilling and production methods shall be adopted as they become available, if capable of reducing factors of nuisance and annoyance.

§ 37-9186. - Motive power.

Motive power for all well pumping equipment shall be electricity. Provided, however, that in respect to wells in operation with non-electric pumping equipment prior to November 6, 1984, the ~~inspector~~ Development Center shall have authority to waive the requirements of this section if ~~he determines it~~ is determined in a particular case that electric pumping equipment is not necessary to protect the public health, safety or welfare.

§ 37-9987. - Ingress and egress.

Lease roads shall be maintained in such manner as to safely and comfortably allow for ingress and egress of City or State personnel traveling in a common passenger motor vehicle. Provided, however,

that the provisions of this section shall not apply to producing wells and well sites without tank batteries which are located more than 600 feet from any building.

§ 37-~~10688~~. - Depositing oil products.

No person shall deposit, drain or divert into or upon any public highway, street, alley, drainage ditch, storm drain, sewer, gutter, paving, creek, river, lake or lagoon, any oil or oily liquid with petroleum content, or any mud, rotary mud, sand, water or saltwater, or in any manner permit, by seepage, overflow or otherwise, any of such substances to escape from any property owned, leased or controlled by such person and flow or be carried into or upon any public highway, street, alley, drainage ditch, storm drain, sewer, gutter, paving, creek, river, lake or lagoon within the City.

§ 37-~~11389~~. - Wells within watershed areas of City water reservoirs and other areas near the reservoirs.

- (a) No wells shall be permitted within 660 feet of the diversion canal at the south end of Lake Hefner, nor within 660 feet of the centerline of the inflow canal from the Canadian River to Lake Hefner, nor within 660 feet of the sedimentation basin of Lake Overholser. Under no circumstances shall a well be permitted closer than 660 feet to the high-water shoreline of a reservoir, canal, or waterway, including areas which are located outside the watershed of a City water reservoir, canal, or waterway.
- (b) No well shall be permitted within the watershed of a City water reservoir, canal, or waterway unless it is located on the surface of such watershed, and in no case closer than 660 feet to the high-water shoreline of said reservoir.
- (c) Any well permitted under Subsection (b) to be located within the watershed in which a City water reservoir, canal, or waterway is contained, or to be located outside the watershed area but within one mile of a City water reservoir, canal, or waterway shall comply with all of the then-current "Rules Controlling Drilling Operations in Watershed Areas of Oklahoma City Water Reservoirs, canal, or waterway and other Areas Near the Reservoirs and Areas Near Arcadia Lake," as adopted by the City and the Oklahoma City Water Utilities Trust. In the event of any conflicts between such rules and the provisions of this chapter, the more restrictive provisions shall apply.
- (d) No wells shall be permitted within 660 feet of the planned future shoreline of the proposed West Elm Creek Reservoir nor within the drainage basin of the proposed West Elm Creek Reservoir except as provided in the then-current "Rules Controlling Drilling Operations in Watershed Areas of Oklahoma City Water Reservoirs, canals, or waterways and other Areas Near the Reservoirs and Areas Near Arcadia Lake," as adopted by the City and the Oklahoma City Water Utilities Trust. A copy of the current "Rules Controlling Drilling Operations in Watershed Areas of Oklahoma City Water Reservoirs, canal, or waterway and other Areas Near the Reservoirs and Areas Near Arcadia Lake" is on file and may be obtained in the office of the City Clerk.

§ 37-~~11990~~. - Blanket bond or blanket irrevocable letter of credit required.

- (a) Any person who drills or operates any well for the exploration, development or production of oil or gas, or as an injection or disposal well, within this City shall furnish on forms approved by the ~~inspector~~ Development Center and maintain at all times a blanket bond or blanket irrevocable letter of credit in the principal sum of at least \$25,000.00. Said bond or letter of credit must be executed by a reliable insurance company or bank authorized to do business in the state, as surety or creditor, and with the applicant/permittee as principal or debtor, running to the City for the benefit of the City and all persons concerned, conditioned that the applicant/permittee shall comply with the terms and conditions of this chapter in the drilling and operation of oil wells drilled or operated within the City. Said bond or letter of credit must become effective on or before the date the same is filed with the City and remain in full force and effect for at least 12 months subsequent to the expiration of the permit term and, in addition, the bond or letter of credit must be conditioned that the applicant/permittee must promptly pay all fines, penalties and other assessments imposed upon the applicant/permittee by reason of his breach of any of the terms, provisions or conditions of this chapter, and that the applicant/permittee must promptly restore the streets, sidewalks and other public property of the City which may be disturbed or damaged during the applicant/permittee's operations to their former condition; and that the applicant/permittee must promptly clear all premises of all litter, trash, waste and other substances and must, after abandonment, grade, level and restore said property to the same surface condition, as far as possible, as existed prior to commencing operations; and further that the applicant/permittee shall indemnify and hold harmless the City from any and all liability attributable to granting the permit; and that the applicant/permittee shall promptly pay all sums with respect to deductibles on covered losses under insurance policies required by this chapter; ~~and that the applicant/permittee shall comply with all of the terms of this chapter concerning the abandonment and/or plugging of all such wells.~~ Each bond or letter of credit submitted shall cover all wells drilled or operated by said person within the City.
- (b) For good cause, the ~~inspector~~ Development Center, after notice to and hearing for a permittee, may require the filing of a blanket bond or letter of credit in an amount higher than \$25,000.00 but not to exceed \$100,000.00. "Good cause" shall include, but shall not be limited to, a showing that the operator or permittee has previously violated any of the provisions of Chapter 37 of this Code.
- (c) The blanket bond or letter of credit required by this section shall be submitted and maintained in full force and effect at all times by all persons drilling, completing, operating, maintaining and/or producing any well located within the limits of the City, whether drilling operations were commenced on, prior or subsequent to November 6, 1984.

SECTION 7. That Article IV, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, is hereby repealed in its entirety.

SECTION 8. That Article V, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, is hereby repealed in its entirety.

SECTION 9. That Article VI, of Chapter 37 of the Oklahoma City Municipal Code, 2020, as amended, is hereby repealed in its entirety.

INTRODUCED AND READ in the open meeting of the Council of The City of Oklahoma City, Oklahoma, this 16th day of July, 2024.

PASSED by the Council and **SIGNED** by the Mayor of The City of Oklahoma City, Oklahoma on this _____ day of _____, 2024.

ATTEST:

CITY CLERK

MAYOR

REVIEWED for form and legality.



ASSISTANT MUNICIPAL COUNSELOR