

ORDINANCE NO. 842

**AN ORDINANCE AMENDING CHAPTER 16 OF THE DACONO
MUNICIPAL CODE CONCERNING OIL AND GAS FACILITY
OPERATOR AGREEMENTS**

WHEREAS, Chapter 16, Article 22 of the Dacono Municipal Code contains Oil and Gas Facility Regulations, which regulations were enacted in 1996 to provide for the safety, preserve the health, promote the prosperity and improve the morals, order, comfort and convenience of the present and future residents of the City by facilitating the development of oil and gas resources within the City pursuant to the regulations set forth therein; and

WHEREAS, by Ordinance No. 841 adopted on November 27, 2017, the City Council adopted a temporary moratorium until May 31, 2018 on the submission, acceptance, processing or approval of any land use application, or issuance of any special use permit, related to the use of property within the City for oil and gas exploration, extraction, and related activities; and

WHEREAS, such moratorium specifically excludes from the restrictions of the temporary moratorium oil and gas wells the drilling of which are authorized by an operator agreement approved by the City Council; and

WHEREAS, the City Council desires by this ordinance to make corresponding revisions to Chapter 16, Article 22, to permit drilling of oil and gas wells pursuant to an approved operator agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DACONO, COLORADO:

Section 1. Section 16-521 of the Dacono Municipal Code is hereby amended by the addition of the following definitions, to be inserted in alphabetical order:

Oil and gas operations or operations means exploration for oil or gas, including but not limited to conventional oil and gas and coalbed methane gas; the siting, drilling, deepening, recompletion, reworking, refracturing, closure or abandonment of an oil or gas well; pumping stations; production facilities and operations including the installation of flow lines and gathering lines; accessory equipment; construction, site preparation, reclamation and related activities associated with the development of oil and gas resources, including their impacts on or construction of access roads and easements.

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.

Section 2. Section 16-522(a)(1) of the Dacono Municipal Code is hereby amended to read as follows (words to be added underlined; words to be deleted ~~stricken~~):

Sec. 16-522. Requirements and procedures.

(a) Proposed new wells, re-drilling certain wells and other specified enhancement operations.

(1) It shall be unlawful for any person to drill a well that has not been previously permitted under this Article, reactivate a plugged or abandoned well or perform initial installation of accessory equipment or pumping systems (in cases where a well is not being drilled) unless either a special use permit has first been granted by the City in accordance with the procedures of this Article or an operator agreement has first been approved by the City Council and executed by the City and the operator authorizing such oil and gas operations. Oil and gas operations authorized by an operator agreement shall be limited to the scope, terms and conditions of such operator agreement, and such oil and gas operations shall not be expanded or modified unless an amendment to the operator agreement is first approved by the City Council and executed by the City and the operator.

Section 3. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

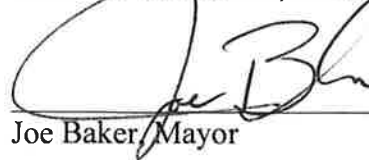
Section 4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED ON FIRST READING, AND ORDERED PUBLISHED BY TITLE AND POSTED IN FULL this 8th day of January, 2018.

PUBLIC HEARING AND SECOND READING WILL BE THE 22nd day of January, 2018, AT 6:00 P.M. AT DACONO CITY HALL, 512 CHERRY STREET, DACONO, CO.

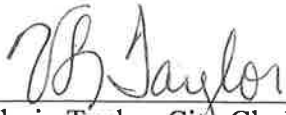
READ, ADOPTED ON SECOND READING, APPROVED, SIGNED, AND ORDERED PUBLISHED BY TITLE this 22nd day of January, 2018.

CITY OF DACONO, COLORADO



Joe Baker, Mayor

ATTEST:

Handwritten signature of Valerie Taylor in cursive script.

Valerie Taylor, City Clerk

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Summary of Ordinance No. 842, **“AN ORDINANCE AMENDING CHAPTER 16 OF THE DACONO MUNICIPAL CODE CONCERNING OIL AND GAS FACILITY OPERATOR AGREEMENTS”** Authorizes oil and gas operations to be undertaken within the City pursuant to an operator agreement approved by the City Council and executed by the City and the operator.