

#43

WESTFALL TOWNSHIP
PIKE COUNTY, PENNSYLVANIA
OIL & GAS WELL
ORDINANCE
ADOPTED
JUNE 19, 1984

*Prepared by
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*Westfall Township Board of Supervisors
Carlton Shaw - Chairman*

*Westfall Township Planning Commission
Douglas Hay - Chairman*

WESTFALL TOWNSHIP
OIL AND GAS WELL ORDINANCE

Section 1 - Purpose and Intent

It is the intent of this section to establish standards for the drilling of wells for oil and gas, to require well permits and indemnity bonds, and to protect the health and safety of people residing in the area of such drilling.

Section 2 - Definition of Terms

(a) "Well" when used in this ordinance means a bore hole being drilled for the purpose of or to be used for producing, extracting, or injecting any gas or oil production or other liquid related to oil or gas production or storage including brine disposal, but excluding bore holes drilled to produce potable water to be used as such.

(b) "Division" means the Oil and Gas Division of the Department of Environmental Resources.

(c) "Drilling" shall include drilling, re-drilling or drilling deeper.

(d) "Building" means an occupied structure with walls and roof within which persons live or work.

(e) "Wetland" means those areas of greater than one acre in size that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions, including swamps, marshes, bogs and similar areas.

(f) "Well Operator" means any person as herein defined who proposes to or does for his own account locate, drill, operate, plug, recondition or abandon any well as herein defined or cause any of the above to be done to any well.

(g) "Owner" means any person as herein defined who owns, manages, operates, leases, controls or possesses any well.

(h) "Persons" means any individual, association, partnership, or corporation.

Section 3 - Location of Wells

Oil and gas well operations shall not be permitted within 1000 feet of any

residence existing or under construction as of the date of this effective Ordinance.

Section 4 - Permit Requirements

Notwithstanding the above requirements a permit shall not be issued until the following is accomplished or substantiated:

(a) All the requirements of Act 225 of 1955, the Pennsylvania "Gas Operations Well-Drilling Petroleum and Coal Mining Act, as amended, will be met.

(b) A copy of the plat, and other documentation, forwarded by the well operator to Division, and a copy of the Permit(s) issued by Division, have been submitted to the permit officer.

(c) The applicant shall have prepared and had approved by the Pike County Conservation District, a Soil Erosion and Sedimentation Control Plan. The plan shall include the well site, any access-way to and/or from the well site, and any other adjacent land use affected by the drilling operations. The Plan shall also specifically address the management of drill cuttings, drilling mud and brine.

Section 5 - Well Requirements

(a) A copy of the well permit shall be posted at the drilling site, in a conspicuous manner, prior to commencement of drilling.

(b) The permit number issued by the Division shall be installed in a legible, visible, and permanent manner on the well upon completion.

(c) Wells may not be drilled within five hundred feet measured horizontally from any non-residential building, or existing water well, or streams, spring or body of water; nor two hundred feet from any public road right-of-way, or adjacent property, unless said adjacent property is under common lease or ownership, or wetlands. Adequate measures shall be taken to protect groundwater supplies including the casing and grouting of those portions of the well(s) passing through fresh water zones. The well operator shall, prior to commencement of drilling, arrange and pay for independent testing of water wells within 1500 feet of the oil or gas well to establish pre-drilling quality. A drilling permit shall be required from the Westfall Township Board of Supervisors, prior to initiating any on-site construction or drilling activity. Such permit shall be obtained from a permit officer to be designated by the Board of Supervisors and application shall be made on a form supplied by the Board. The Application will require such information as may be necessary to determine conformance with this Ordinance. All permit applications shall be approved or disapproved within 60 days of the first regular meeting of the Board of Supervisors following receipt of those applications.

d) The applicant shall, when removing timber from the well site, remove only those trees that are absolutely necessary to allow safe drilling activities.

(e) At the completion of well drilling activities the site shall be cleaned up and be stabilized in accordance to the Soil Erosion and Sedimentation Control Plan. Any felled trees and any temporary improvement shall be removed in compliance with the Plan.

(f) Each well shall be equipped with a properly operating and maintained blow-off tank.

(g) Site development or access roads shall be discouraged from steep slope areas (in excess of 15%).

(h) Access roads if required shall be constructed to include adequate ditching, cross-culverts, and grading (not to exceed 15%); and shall adhere to the Soil Erosion and Sedimentation Control Plan. The location of the access road, and its point of intersection with a public road, shall be approved by the Board of Supervisors. The public road onto which the access road connects shall be kept mud-free and permanently passable and the road shall otherwise comply with the standards of the Westfall Township Road Ordinance.

Section 6 - Indemnity Bonds

(a) Upon filing an application for a permit the owner or operator shall file with the Board of Supervisors a bond for the well and the well site, payable to the Westfall Township Board of Supervisors, and conditioned that the operator shall faithfully perform all of the requirements of law and this ordinance, including protection of groundwater supplies. The amount of the bond required shall be two thousand five hundred dollars (\$2,500) per well. In lieu of individual bonds for each well an owner or operator may file a blanket bond, covering all of its wells in the Township enumerated on the bond form. A blanket bond shall be in the amount of twenty-five thousand (\$25,000). Nothing herein, however, shall be construed as limiting the townships right to pursue legal remedies if this amount shall be insufficient to cover the costs for which the bonds are intended.

Liability under such bond shall continue until the well has been properly plugged in accordance with law (which in any case, shall occur within 90 days of discontinuance or dismantling of the well operation), and for a period of one year after filing of the certificate of plugging with the Division within which such period the well operator must restore the site to original grade and complete the activities specified in the Soil Erosion and Sedimentation Control Plan. Certificates shall be filed in accordance with state requirements.

Each bond shall be executed by the operator and a corporate surety licensed to do business in the Commonwealth: Provided, however, that the operator or owner may elect to deposit cash, bank certificates of deposit, automatically renewable irrevocable bank letters of credit

which may be terminated by the bank at the end of a term only upon the bank giving ninety days prior written notice to the permittee and the Township, or negotiable bonds of the United States Government or the Commonwealth of Pennsylvania, the Pennsylvania Turnpike Commission, the General State Authority the State Public School Building Authority or any Township within the Commonwealth, with the deposit, bank certificate of deposit, amount of such irrevocable letter of credit or market value of such securities shall be equal at least to the sum of the bond.

The township shall, upon receipt of any such deposit of cash, letters of credit or negotiable bonds, hold the same in the name of the Township, in trust, for the purpose of which such deposit is made. The operator or owner making the deposit shall be entitled from time to time to demand and receive from the township the whole or any portion of any collateral so deposited, upon depositing with the township in lieu thereof, other collateral of the classes herein specified having a market value at least equal to the negotiable bonds, deposited as aforesaid, mature or are called, the township, at the request of the owner or operator thereof, shall convert such negotiable bonds of the classes herein specified as may be designated by the operator or owner: And, provided further, that where notice of intent to terminate a letter of credit is given, the Township shall give the owner or operator thirty days written notice to replace the letter of credit with other acceptable bond guarantees as provided herein, and if the owner or operator fails to replace the letter of credit within the thirty day period, the township shall draw upon and convert such letter of credit into cash and hold it as a collateral bond guarantee.

(b) No bond shall be fully released until all requirements of law and of this ordinance are fully met. Upon release of all of the bond and collateral as herein provided, the township shall immediately return to the owner the amount of cash or securities specified therein.

(c) If the well owner or operator fails or refuses to comply with the requirements of law or this ordinance or the conditions of the permit within the time periods specified, the township shall declare the bond forfeited, and shall proceed to enforce and collect the full amount of the bond, and where the owner or operator has deposited cash or securities as collateral in lieu of a corporate surety, the Township shall declare said collateral forfeited and shall pay the full amount of said funds into the township General Fund, or proceed to sell said securities to the extent forfeited and pay the proceeds thereof into said fund. Should any corporate surety or bank fail to promptly pay, in full, a forfeited bond, it shall be disqualified from writing any further bonds under this ordinance. Upon forfeiture of a blanket bond for a violation occurring at one or more well sites, the person whose bond is forfeited shall submit a replacement bond to cover all other wells of which he is owner or operator within ten days of said forfeiture. Failure to submit said replacement bond constitutes a violation of this ordinance as to each of the wells owned or operated by said person.

Section 7 - Violations and Penalties

All remedies for violation of law or this ordinance or the conditions of permits, are expressly preserved. Nothing in subsections 6(a) through 6(c) shall be construed as an exclusive penalty or remedy for such violations of law. No action taken pursuant to subsection 6(c) shall waive or impair any other remedy or penalty provided by law. Penalties may be imposed as provided under the Pennsylvania Second Class Township Code.

Section 8 - Abrogation and Greater Restrictions

This Ordinance supersedes any Ordinance or provisions thereof which may have been previously adopted excepting that any restriction of such ordinance, which are greater than those contained herein shall still apply.

Section 9 - Validity

If any part of this Ordinance shall be declared invalid by a Court with appropriate jurisdiction, such determination shall not affect the remainder of the Ordinance, as the township hereby declares that it would have adopted the same regardless of the such determination.

This ordinance shall become effective five (5) days after the date of this enactment.

Duly enacted by the Supervisors of Westfall Township, Pike County, Pennsylvania, this 19th day of June, 1984, in lawful session duly assembled.

Attest: Audrey Edward

Supervisors of Westfall Township

Secretary

Carlton L. Shroy
Howard E. Decker Jr
Benjamin Cooper