

ORDINANCE C-34-64

AN ORDINANCE REGULATING THE DRILLING, COMPLETION AND OPERATION OF OIL WELLS AND OF GAS WELLS WITHIN THE CORPORATE LIMITS OF THE CITY OF GROVE CITY, OHIO, AND ESTABLISHING THE RESTRICTIONS THEREON; REGULATING THE DRILLING, COMPLETION AND OPERATION OF SUCH WELLS WITHIN THE CITY; CONTAINING A SAVINGS CLAUSE, And Declaring an Emergency.

WHEREAS, the City Council of the City of Grove City, Ohio finds that there is a likelihood of drilling and production operations for oil and/or gas within the corporate limits of the City of Grove City, requiring that operations for the drilling and production of oil and/or gas within such area be regulated because of the fire hazards created by such operations, as well as the menace of falling derricks, unsanitary conditions, contaminated water supply and all similar and like threats, to the lives, property, health, safety and general welfare of the public in general.

NOW, THEREFORE, Be It Ordained by the Council of the City of Grove City, State of Ohio, that

SECTION 1. DEFINITIONS

A. For the purpose of this ordinance, and for all purposes under this ordinance, the following words and terms, wherever and whenever used or appearing in this ordinance, shall have the scope and meaning hereinafter defined and set out in connection with each:

(1) The word "PERSON" shall include both the singular and plural; and shall mean and include any person, individual, firm, partnership, association, corporation, club, society, co-operative, trust, municipal corporation or political subdivision whatsoever.

(2) The word "WELL" shall include and mean any hole or holes, bore or bores, to any sand, formation, strata or depth, which is or are drilled, bored, sunk, dug or put down for the purpose of either exploring for or ascertaining the existence of any oil, gas, liquid hydrocarbon, or any of them, or for the purpose of producing and recovering any oil, gas, liquid, hydrocarbon, or any of them.

(3) (a) Oil is any liquid hydrocarbon, regardless of gravity, capable of being produced from a drilling unit in liquid form at the well by ordinary methods and which is not the result of the condensation of gas after it leaves the reservoir.

(b) Gas, as referred to in this ordinance means natural gas including all of its constituent elements, which elements include (but not by way of limitation) gasoline, condensate, distillate, butanes, propanes and other lighter hydrocarbons.

(c) An oil well is any well which produces one barrel or more of oil, as hereinabove defined, to each 100,000 cubic feet of gas, as hereinabove defined.

(d) A gas well is a well producing gas, as hereinabove defined, and which produces no oil as hereinabove defined, or less than one barrel of oil to each 100,000 cubic feet of gas.

(e) Workover - for the purpose of this ordinance, working over a well shall be considered to be the act of re-entering a well for any purpose after it is initially completed or abandoned other than for well servicing.

(f) Well servicing includes installation or servicing of artificial lift equipment and the removal of tubing obstructions such as paraffin and sand.

(4) The word "PERMITTEE", shall mean the person to whom is issued a permit for the drilling and operation of a well under this ordinance, and his or

### SECTION 3. UNITIZED LEASE REQUIRED.

No permit shall be issued for oil and/or gas drilling where the ownership of the proposed minimum of ten (10) acre tract or unit is made up of more than one parcel of land, as shown on the most recent tax duplicate map, unless the application is accompanied with copies of proper leases, executed with all the owners of land within the proposed ten (10) acre tract or unit and a copy of the unitized lease agreement, as executed, are furnished. When a person serves as agent, a certified copy of his appointment shall accompany the application. The area of all dedicated public streets and alleys shall be excluded in all calculations used to determine the area of said ten (10) acre tract or unit.

### SECTION 4. STATE PERMIT REQUIRED

No permit for drilling for oil and/or gas within the City shall be issued until the applicant shall have first obtained a permit for oil and/or gas drilling from the Division of Mines, Department of Industrial Relations of the State of Ohio. A copy of said permit shall be included with each application.

### SECTION 5. APPLICATION

A. Any person desiring to drill, complete and operate a well for oil or gas within the City of Grove City shall present an application in duplicate therefor, to the City Service Director, which application shall be in writing, be signed by the applicant or some person duly authorized to sign same for the applicant, and shall state:

- (1) The date of said application.
- (2) The name and address of the applicant and if the applicant is a corporation, the state of incorporation, and if applicant is partnership, the names and address of the general partners.
- (3) The number of the drilling unit, the particular lot and block, and number or tract in the drilling unit on which the proposed well is to be located and the exact location of the proposed well by dimensions from the lines of the unit lease.
- (4) The type of the well, whether oil or gas, and the proposed depth of the well.
- (5) The proposed complete casing program of the well;
- (6) The exact and correct number of square feet in the lease or unitized lease over which the applicant has control of oil rights or gas rights, and the applicant shall be required to own in fee, or hold under lease or drilling contract from the owners of not less than 10 acres, and all of the lots and lands shall be contiguous. Lots and lands across a public street shall be deemed as being contiguous. The area of all roads, streets, public ways and alleys shall not be included in determining the area of the unit.
- (7) Each application for permit shall be accompanied by a map prepared by an Ohio registered surveyor showing and containing the following data:
  - (a) The subject tract of land or drilling unit upon which the well is to be drilled, which shall show all parcels or tracts of land for which a lease has been obtained.
  - (b) The location of the proposed well and the proposed location of oil storage tanks on the subject tract of land or drilling unit established by a field survey showing

producing wells and the nearest boundary of the subject tract or drilling unit.

(d) The exact location of the proposed well with respect to the drilling unit boundaries and with respect to the boundaries of the lease or unitized lease on which applicant has secured the rights from the owner to drill, designation of lots, blocks, or tracts owned or controlled by the applicant within the drilling unit and the distances from the well location to all parks, streets, alleys or other public property, residence, commercial buildings and structures situated within two hundred and fifty (250) feet of the well location.

(e) The location, size and inclination of all drainage facilities, tile, ditches, etc., which lie within the work limits of the proposed well site and storage tank site.

#### SECTION 6. EQUIPMENT ON SITE

No equipment, material, drilling rigs, etc., may be placed on any site until all necessary permits have been obtained.

#### SECTION 7. PERMIT FEE

The charge for each aforesaid gas and/or oil drilling permit shall be \$1,000 and shall be paid when the application for such permit is made. This being a fee for the purpose of defraying the expenses of administration and enforcement of regulatory ordinances concerning the drilling of oil and/or gas wells within the corporate limits of the City of Grove City and to defray the expenses of inspection of oil and/or gas well sites.

#### SECTION 8. NUMBER OF PERMITS

No more than one permit for oil and/or gas drilling shall be issued for each ten (10) acres of aforesaid tract of land. In the case of a non-producing well, an additional permit may be issued.

#### SECTION 9. DISTANCE REQUIREMENTS

No permit shall be issued and no oil and/or gas well shall be drilled within two hundred (200) feet of any dwelling, residential or mercantile building, or school, church, hospital, theatre, assembly hall or building in which the public is invited or within one hundred (100) feet of any building of any kind without first obtaining permission in writing from the owner or owners of any interest therein of all said dwellings, residential, or mercantile building, school, church, hospital, theatre, assembly hall or building in which the public is invited, and from the owner or owners of any interest therein of any and all said buildings of any kind within said one hundred (100) feet. No permit shall be issued where the proposed well location is closer than 230 feet from the boundary line of the ten (10) acre tract for which proper leases have been obtained. No well location shall be closer than 230 feet to the boundary line of any party or owner not joining the unitized lease agreement.

#### SECTION 10. NECESSITY OF CONTRACT WITH SURFACE OWNER

A. Neither this ordinance nor any permit issued hereunder shall be interpreted to grant any right or license to the permittee to enter upon, use or occupy in any respect for the drilling or operation of any well on any surface land except by the written contract of the surface owner unless the permittee obtained such right in an oil and gas lease, or other contract, nor shall it limit or prevent the free right of the owner to contract for the amount of damages, rights or privileges with respect to his own land and property.

B. Each permit issued under this ordinance shall [1] by reference have incorporated therein all provisions of this ordinance with the same force and effect as if this ordinance were copies verbatim in said permit; [2] specify definitely the location of the well and the number of the drilling unit in which the well is to be located; [3] specify that drilling shall begin within ninety (90) days from the date of the permit or said permit shall be forfeited; provided, however, such forfeiture shall not affect the right of applicant to apply for another permit; [4] specify that such permit shall remain in full force and effect until said well is abandoned.

C. Said permit shall not be issued until the provisions of Section 12 and 13 of this ordinance are complied with. Said permit, in duplicate, originals shall be signed by the permittee. One original of the permit duly executed, shall be delivered to the permittee and one original of the permit, duly executed shall be retained and filed by the City Service Director and, when so filed, shall constitute the permittee's drilling and operating license and the contractual obligations of the permittee to comply with the terms of such permit, of the bond hereafter mentioned and of this ordinance.

#### SECTION 12. BOND

A. If the issuance of a permit be authorized, same shall not be issued until the applicant shall file with the City Finance Director a bond executed by the permittee as principal, and by a good and sufficient corporate surety company licensed to do business in the State of Ohio as surety, and whose name appears on the current list published by the United States Treasury Department of accepted sureties on Federal Bonds, conditioned that the principal obligor will drill and operate said well in strict accordance with the terms of this ordinance; that the principal will remedy any and all damages to streets, curbs, gutters, water lines, fire hydrants and other public property, occasioned in any manner by his or its drilling of said well. Such bond shall inure to the benefit of the City of Grove City; shall be in a form to comply herewith, and shall be in the amount of Twenty Thousand and No/100 (\$20,000) Dollars, and shall be approved by the City Attorney. A permittee shall not be required to post additional bond if he has approved bonds on file with the City, as required by this Section 12, totaling Forty Thousand and No/100 (\$40,000) Dollars.

B. Failure to keep said bond in full force and effect, in accordance with the terms hereof shall cause a revocation of the permit and shall be unlawful and punishable in accordance herewith.

#### SECTION 13. PUBLIC LIABILITY AND PROPERTY DAMAGE AND MEDICAL PAYMENT INSURANCE.

A. Said permit shall not be issued until the applicant shall also file with the City Service Director of the City of Grove City a memorandum copy or certificate of a policy or policies of public liability and property damage insurance, issued by an insurance company or companies authorized to do business in the State of Ohio, to be approved by the City Attorney, the amount of which policy or policies of insurance for liability for bodily injury or death of one person shall not be less than Two Hundred Thousand and No/100 (\$200,000) Dollars, and for any one occurrence, not less than Six Hundred Thousand and No/100 (\$600,000) Dollars for injuries to more than one person in any one occurrence, and the amount of such policy or policies for damage to property of others shall not be less than Two Hundred Thousand and No/100 (\$200,000) Dollars. Medical payment insurance in the limits of Five Thousand and No/100 (\$5,000) per person per occurrence and an aggregate amount of Twenty-five Thousand and No/100 (\$25,000) for injuries to more than one person in any single occurrence. The terms and conditions of such policy or policies covering such operations are to be such as to assure persons, firms, or cor-

with its obligations to its carrier or carriers and to maintain the above described coverage in full effect so long as the permit shall be valid and alive.

C. Failure to keep said policy or policies in full force and effect in accordance with the terms hereof, shall be unlawful and shall be punishable in accordance herewith.

#### SECTION 14. UNLAWFUL TO PERMIT ESCAPE OF MUD, ETC.

It shall be unlawful for any person to permit to escape any mud, water, oil, slush or other waste matter related to the drilling or operating of any oil and/or gas well into any adjoining lots upon which permittee does not have contractual rights to use the surface, or upon leases not owned by permittee or into the alleys, streets, gutters or sewers of the City of Grove City; and within fifteen (15) days after the completion or abandonment of any oil or gas well, the mud and other similar matter and materials used in connection with the drilling and operations thereon shall be removed from the premises.

#### SECTION 15. UNLAWFUL TO DRILL WITHOUT A PERMIT

It shall be unlawful and an offense for any person acting either for himself or as agent, employee, independent contractor, or servant of any other person, to commence to drill, to drill, or to operate any oil or gas well within the City of Grove City or to work upon or assist in any way in the prosecution or operation of any such well without a permit for the drilling and operation of such a well having first been issued in accordance with the provisions of this ordinance.

#### SECTION 16. WELL WORKOVER

Any person operating any well or wells for oil or gas within the corporate limits of the City of Grove City, Ohio, may perform any well workover operations except drilling deeper, without a prior permit, provided the operator complies with all safety rules set forth in this ordinance and no additional permit fees will be required for such work; however, no well workover shall be started or performed without first informing the City Service Director. It will not be necessary to inform the City Service Director when well servicing is to be performed except for swabbing operations.

#### SECTION 17. RULES FOR DRILLING AND PRODUCING OPERATIONS.

All persons engaged in the drilling and operation of oil and/or gas wells within the corporate limits of the City of Grove City shall comply with the following rules and regulations:

(1) In order to enable the holder of each permit to move oil, gas water or other products to or from each drilling unit within the city limits of the City of Grove City, the holder of each permit issued under this ordinance for the drilling and operation of a well for oil or gas in the City of Grove City shall apply to the City Council for an easement on, over, under, along or across the City's streets, sidewalks, alleys and other City property in the City of Grove City for the purpose of constructing, laying, maintaining, operating, repairing, replacing and removing pipe lines so long as production or operations may be continued under any permit issued pursuant to this ordinance; provided, however, such permittee shall:

(a) Not interfere with or damage existing water, sewer, or gas lines or the facilities of public utilities located on, under or across the course of such rights-of-way;

(b) Furnish the City Engineer with a plat showing the location of such pipe lines;

(c) Construct such lines or cause same to be constructed out of new or reconditioned pipe in accordance with directions of the City Service Director and properly cased and vented if under a street; and

(d) Grade, level and restore said property to the same surface condition, as nearly practicable, as existed when operations for the drilling of the

the construction thereof, the maintenance thereof, and the operation thereof shall at all times be in full compliance with such regulations as may from time to time be issued by the Fire Chief of the Township of Jackson.

(4) It shall be unlawful and an offense for any person to use or operate in connection with the drilling or working over of any well within the city limits of Grove City, any wooden derrick or steam powered rig, or to permit any drilling rig or derrick to remain on the premises or drilling site for a period longer than (60) sixty days after completion or abandonment of the well. All engines shall be equipped with effective mufflers of adequate size and type to match the engine used.

(5) Two dual-controlled, fluid operated blowout preventers with working pressures equal to the maximum anticipated wellhead pressures shall be used for all drilling or completion operations involving the use of drill pipe or tubing after the surface casing has been set. The mechanical operation of the preventers shall be checked every twenty-four (24) hours and shall be tested with pump pressure with enough frequency to insure good working order at all times.

(6) No oil, waste water, sludge water or salt water, produced or used in connection with the drilling operation or production of oil or gas wells, shall be disposed of within the corporate limits of the City and shall not be permitted to empty into any sanitary sewer, storm sewer or surface drainage. Provided, however, that temporary repositories for salt water, waste or sludge water and basic sediment and water, may be constructed of concrete, steel or other material which is impervious to and impenetrable by oil or water; and in the latter case such pits for temporary deposits shall be so constructed that no seepage shall result therefrom and that surface water resulting from water drainage or rain, cannot drain into said pit. And provided further that disposal of salt water may be made in a well drilled for the purpose or an abandoned oil well, provided that approval for such disposal be first obtained from the Chief Inspector of the Oil and Gas Division of the Division of Mines, Department of Industrial Relations of the State of Ohio.

(7) All trucks hauling oil, sludge water, salt water, petroleum products or by-products, shall be closed and leakproof at all times and the intake vent and outlet valves and pump connections shall be water tight and leak-proof. The operation of any truck engaged in the hauling of any of the products or by-products mentioned in this Section, which permits leakage, seepage or drainage of said products or by-products, salt water or sludge water, is unlawful and the driver or operator of said truck shall be subjected to the penalties herein provided. No person engaged in the hauling of salt water shall permit his truck, vehicle or other instrument of conveyance to overflow or leak while loading or after loading.

(8) No well shall be drilled or worked over in the City of Grove City without the bore hole at all times being filled with drilling fluid of a weight and viscosity as a reasonably prudent operator would use to keep the well under control at all times.

(9) It shall be unlawful for any person in connection with the drilling or working over operations of any well within the City of Grove City to conduct any swabbing operations or to take and to complete any drill stem test or tests except during daylight hours. Drill stem tests may be conducted only if the well effluent during the test is produced through an adequate oil and gas separator to storage tanks, and the effluent remaining in the drill pipe at the time the tool is closed is flushed to the surface by circulating drilling fluid down the annulus and up the drill pipe. The City Service Director shall be informed before drill stem testing or swabbing is performed so that a City representative may be present during such operation.

(10) All completed wells within the City of Grove City shall be equipped with Christmas tree fittings and wellhead connections, with a rated working pressure equal to or greater than the surface shut-in pressure of the well. All well head connections shall be assembled and tested prior to the

(12) It shall be unlawful and an offense for any person to use, construct or operate in connection with any oil producing well within the City limits of Grove City, any crude oil storage tanks except to the extent of two (2) steel tanks for oil storage, not exceeding 500 barrel capacity each, and so constructed and maintained as to be vapor tight and each surrounded with a well compacted earthen fire wall at such distance from the tanks as will, under any circumstances, hold and retain at least two and one-half (2-1/2) times the maximum capacity of such tank. A permittee may use, construct and operate a steel conventional separator, and such other steel tanks and appurtenances as are necessary for treating oil with each of such facilities to be so constructed and maintained as to be vapor tight. Each oil and gas separator shall be equipped with both regulation pressure relief safety valve and a bursting head.

(13) It shall be unlawful for any person within the corporate limits of the City of Grove City to install any fired vessel or open flame nearer than one hundred and fifty (150') feet to any well or storage tank.

(14) Before any actual drilling shall commence within the City, there shall be constructed completely around the work area, which shall in no case exceed an area of one (1) acre, a farm type fence (10-47"-12"-9ga. top & bottom-11 ga. filler) not less than 4 - 6' in height. Access to the site shall be through proper gates which shall be closed when not being used for supply of material or other facilities.

(15) All producing wells, wellheads, tank batters, pumping units and equipment appurtenant thereto within the City of Grove City shall be enclosed and protected by a six (6) foot galvanized or aluminum chain link type fence with matching type gates and effectively screened with evergreen plantings to the approval of the City Service Director.

(16) The premises shall be kept in a clean and sanitary condition free from rubbish of every character, at all times, during the drilling operation and as long thereafter as oil and/or gas is being produced therefrom. All permittee's premises shall be kept clear of high grass, weeds and combustible trash or any other rubbish or debris that might constitute a fire hazard within a radius of one hundred (100) feet around any oil tank or tanks, or producing wells or the limits of premises, whichever is the lesser.

(17) Within thirty (30) days after any oil and/or gas well within the limits of the City shall have been completed for the production of oil and/or gas, or within thirty (30) days after the same shall have been completed in the cases where the same is abandoned for the reason that a dry hole is found, the permittee shall remove the excess sludge or mud and fill all pits and excavations and level off the surface of the working area and said permittee shall not allow any accumulation of sludge or oil or other offensive or dangerous substances to accumulate and shall keep his premises in a sanitary and sightly condition. Said permittee shall restore any disturbed drainage facilities and leave the premises in such a condition that no pooling of surface water will leave the premises in such a condition that no pooling of surface water will result.

(18) Printed signs reading "DANGER, NO SMOKING ALLOWED" or similar words shall be posted in conspicuous places on each well, storage tank or battery of tanks, within the corporate limits of the City of Grove City.

(19) Material, equipment, tools, or pipe used for either drilling or producing operations at the well shall not be delivered to or removed from the well site except between the hours of 7:00 o'clock a.m. and 7:00 o'clock p.m. of any day except in case of emergency.

(20) It shall be unlawful to block or encumber, or close up any streets or alleys in any drilling or production operations, except by an ordinance duly passed by the City Council permitting a temporary closing of a street or alley.

(21) These shall be maintained from the wellhead to the

SECTION 18. RELEASE FROM BOND

If and when any permit shall terminate and become inoperative as in this ordinance provided, or if and when the permittee shall file with the City Service Director, written notice of his election to surrender his permit and abandon the premises covered thereby, then, if no claims or lawsuits under the bond or bonds shall be pending or have been filed within six (6) months after said permit shall have terminated, become inoperative, or written notice of election to surrender has been filed, the City Service Director shall return the bond or bonds furnished by the permittee in connection with such permit; and if claims are pending or are filed within such time, upon the satisfaction or defeat of such claims or lawsuits, such bond or bonds shall thereupon be returned to the permittee.

SECTION 19. PENALTY CLAUSE

Whoever violates any of the provisions of this ordinance or any amendment hereafter adopted to this ordinance, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than Fifty (\$50) Dollars nor more than Five Hundred (\$500) Dollars or ten (10) days in jail, or both. Each days violation of any provisions of this ordinance will constitute a separate offense. The City Attorney is further authorized to seek injunctive relief against any violation of any provision of this ordinance or of any amendments thereto in any proper court of law or equity.

SECTION 20. SEVERABILITY CLAUSE

Should any section, clause or provision of this ordinance be declared by a court to be invalid, the same shall not affect the validity of this ordinance as a whole, or any part thereof, other than the part declared to be invalid.

SECTION 21. EMERGENCY CLAUSE

That this ordinance is hereby determined to be an emergency measure, the immediate effectiveness of which is necessary in order to provide for the preservation of the public peace, property, health, safety and welfare, and from the immediate danger and hazard that might arise from the uncontrolled and unregulated drilling for oil and/or gas within the limits of the City of Grove City, Ohio; wherefore this ordinance shall be in effect from and immediately following its adoption.

SUBMITTED August 2, 1964

Gerald L. Brinkman  
Gerald L. Brinkman, President of Council

PASSED August 2, 1964

Anton C. Patzer  
Anton C. Patzer, Mayor

EFFECTIVE August 2, 1964

Maria T. Kochensparger  
Maria T. Kochensparger, Clerk of Council

Date: 8-2-64

I Certify that this Ordinance is Correct as to Form.

I hereby certify that the foregoing legislation was published 8-2-64 in accordance with the provisions of Section 2.11. of the Grove City Charter.

[Signature]  
Clerk of Council

[Signature]  
R. E. Gunderman, Director of Law