

Chapter 11

**OIL AND GAS WELLS\***

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**\*State law reference—**Oil and gas generally, Vernon's Ann. Civ. St. arts. 6004–6066d.



**Sec. 11-1. Operation or maintenance of gasoline plant, oil storage plant or liquid petroleum gas storage facility.**

(a) It shall be unlawful for any person to operate or maintain a bulk gasoline plant, oil storage plant or liquid petroleum gas storage facility without first securing a location permit therefor. Application for such permit should state the name and address of the firm or operator of the facility. The one time fee for this permit will be set from time to time by the council and a schedule of such fees is on file in the city secretary's office.

(b) It shall be unlawful to construct, operate or maintain a bulk gasoline, oil or liquid petroleum gas storage plant without a permit or without complying with the provisions of ordinances pertaining to zoning.

(c) Before any facility to store gasoline, oil or liquid petroleum gas can be constructed, the installation must be approved by the state railroad commission. It must comply with all of their rules and regulations and an applicant must furnish the city with a letter or certificate from the railroad commission that the proposed installation meets their standards.

(d) The location of the plant must be approved by the city council before the issuance of any permits, the installation shall be subject to inspection by the fire marshal during operating hours.

(Ord. of 2-10-86)

**Sec. 11-2. Drilling or operating oil or gas wells restricted.**

(a) 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, or to operate any oil or gas well within the city limits without a permit for the drilling and operation of such well having been issued by the city council in accordance with the terms of this chapter.

(b) No well shall be drilled and no permit shall be issued for any well to be drilled at any location which is within any street or alley in the city and no street or alley shall be blocked, encumbered or closed in any drilling operation except by special permit or order of the city council and then only temporarily.

(c) No well shall be drilled and no permit issued for any oil or gas well to be drilled at any location which is nearer than 50 feet of any residence or commercial building without the applicant having first secured the written permission of the owner thereof.

(d) Every application for a permit to drill and operate a well shall be in writing, signed by the applicant, and filed with the city clerk and be accompanied with the current filing fee. No application shall request a permit to drill and operate only one well. The application shall include the date of application and the name of the applicant.

(e) The city council shall within ten days after the filing of application determine whether or not the application complies in all respects with the provisions of this section, if it does the city council shall fix the amount of the principal of the bond and insurance provided for in

subsection (f) of this section and after such determination shall issue a permit for drilling and operation of the well.

(f) If a permit is issued by the city council under the terms of this section for drilling and operating a well, no actual drilling shall be commenced until the permittee shall file with the city clerk a bond and certificate of insurance. The bond shall be in a principal sum as has been determined by the city council, but not less than \$10,000.00 and shall be executed by a reliable insurance company authorized to do business in the state as surety and with the applicant as principal running to the city for the benefit of the city and all persons concerned. In addition, the bond will be conditioned that the permittee will promptly pay all fines and penalties imposed by reason of his breach of any of the terms or provisions of this section and will promptly restore streets, sidewalks or other property which may be disturbed or damaged to their former condition including leveling, grading and restoring the property to the same surface condition and clearing all premises of all litter, trash, waste and other substances used, allowed or occurring in the drilling or operation of the well. Premises must be kept clean and sanitary from rubbish or any material which might be classified as a hazard of fire, health, peace of mind, safety, offensive gases, odors, smoke, noise, etc., to the satisfaction of the health officer and the citizens of the area.

(g) Any person who shall violate any of the provisions of this section or neglect to comply with the terms hereof shall be fined in the sum of not less than \$5.00 nor more than \$200.00. In addition to the foregoing penalties, it is further provided that the city at any meeting or session, may, provided ten days' notice has been given, revoke or suspend any permit issued under this article where drilling or producing operations are being conducted and the permittee has violated any provisions of the permit, the bond required by this section. In the event the permit is revoked, the permittee may take application to the city council for a reissuance of such permit and the action of the city council thereon shall be final.

(Ord. of 12-3-56, §§ 1-7)