
Town of Westlake

Proposed Technical Standards Ordinance
and Related Matters Pertaining to
Oil and Gas Drilling and Production

January 26, 2009

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OIL and GAS PRESENTATION OUTLINE

- Zoning
- Setbacks (Technical Standards Ordinance)
- Master Planning Multiple Drill Sites
- No Consent Situations
- A Way Forward

Recommended Two-Prong Approach

1. Zoning Ordinance
2. Technical Standards Ordinance
 - a. Gas well drilling and production*
 - b. Pipelines*

How the Two Pronged Approach Works



Recommended Two-Prong Approach (continued)

First Prong - Zoning

- Zoning = land use
- What zoning districts oil and gas drilling/production can be conducted in?
- Staff recommendation: oil and gas drilling/production in all zoning districts, but ONLY with an approved SUP.
- What's an SUP? (specific use permit)
- What is it exactly?
 - *"A permit recommended by the P&Z Commission and approved by the Town Council for the use of land or structures in accordance to the provisions in the Zoning Ordinance".*

Recommended Two-Prong Approach (continued)

First Prong – Zoning (continued)

- How does an SUP work?
 - *Application by property owner/agent*
 - *Staff review/recommendations prepared*
 - *Adjacent property owners within 200' radius notified*
 - *Planning and Zoning Commission public hearing held*
 - *P&Z recommendation to Council*
 - *Town Council public hearing held*
 - *Town Council decision*

Recommended Two-Prong Approach (continued)

First Prong – Zoning (continued)

- What does amending the Zoning Ordinance to allow oil & gas drilling/production in all districts, but ONLY with an approved SUP, actually mean?
 - *Additional opportunities to ASK*
 - *With increased opportunities to ASK, better balance achieved between the mineral estate owners rights and the surface owners right.*
 - *Strong opportunity for transparency and citizen input (2 public hearings)*
 - *Strong opportunity to, if SUP is approved, to impose stringent special conditions on the well drilling and production.*

Zoning (continued)

- What are the options?
 - *Allowed use permitted by right*
 - ✓ *All Districts*
 - ✓ *Some Districts*
 - *Allowed use , but only with an approved SUP*
 - ✓ *All Districts*
 - ✓ *Some Districts*

- Key policy question:
 - *Which approach allows us to practice good urban planning while addressing the need, and legal right, of the mineral estate to access their minerals and the need of the surface owner to have reasonable protection?*

Zoning (continued)

- Let's look at the options in light of this key question

- Allowed use by Right
 - *All Districts*
 - ✓ *means oil/gas activities can go anywhere subject only to the restrictions of the Technical Standards Ordinance.*

 - *Some Districts*
 - ✓ *means oil/gas activities can go in certain districts subject only to the restrictions of the Technical Standards Ordinance.*

- Important Question?
 - *Which districts can oil/gas activities go into as an allowed use by right?*

- Do these options address good urban planning while addressing both mineral right estate and surface owner rights?

Zoning (continued)

- Allowed use, but only with an approved SUP
 - *All Districts*
 - ✓ *means oil/gas activities may go anywhere, but first must apply for and receive an SUP (two public hearings), and are subject to the restrictions of the Technical Standards Ordinance.*
 - *Some Districts*
 - ✓ *means oil/gas activities may go in certain districts, but first must apply for and receive an SUP , and are subject to the restrictions of the Technical Standards Ordinance.*
- Which districts can oil/gas activities go into with an approved SUP?
- Much of Westlake is zoned PD (Planned District) with allowed uses that are a mixture of residential and commercial, but those uses are not geographically defined within the PD.

Zoning (continued)

- So, which option best allows us the ability to practice good urban planning while addressing the need of the mineral estate to access their minerals and the need of the surface owner to have reasonable protections?
- Staff recommendation:
 - *Allowed use in all districts, but only with an approved SUP.*
 - *SUP process allows Town more control, public review and comment, placement of stipulations and conditions on the SUP.*
 - *SUP in all districts addresses the wide use of blended, but not geographically defined uses, in our PD zoning districts that comprise much of Westlake.*

Technical Standards Ordinance Specifics (continued)

Part One - Drilling and Production (continued)

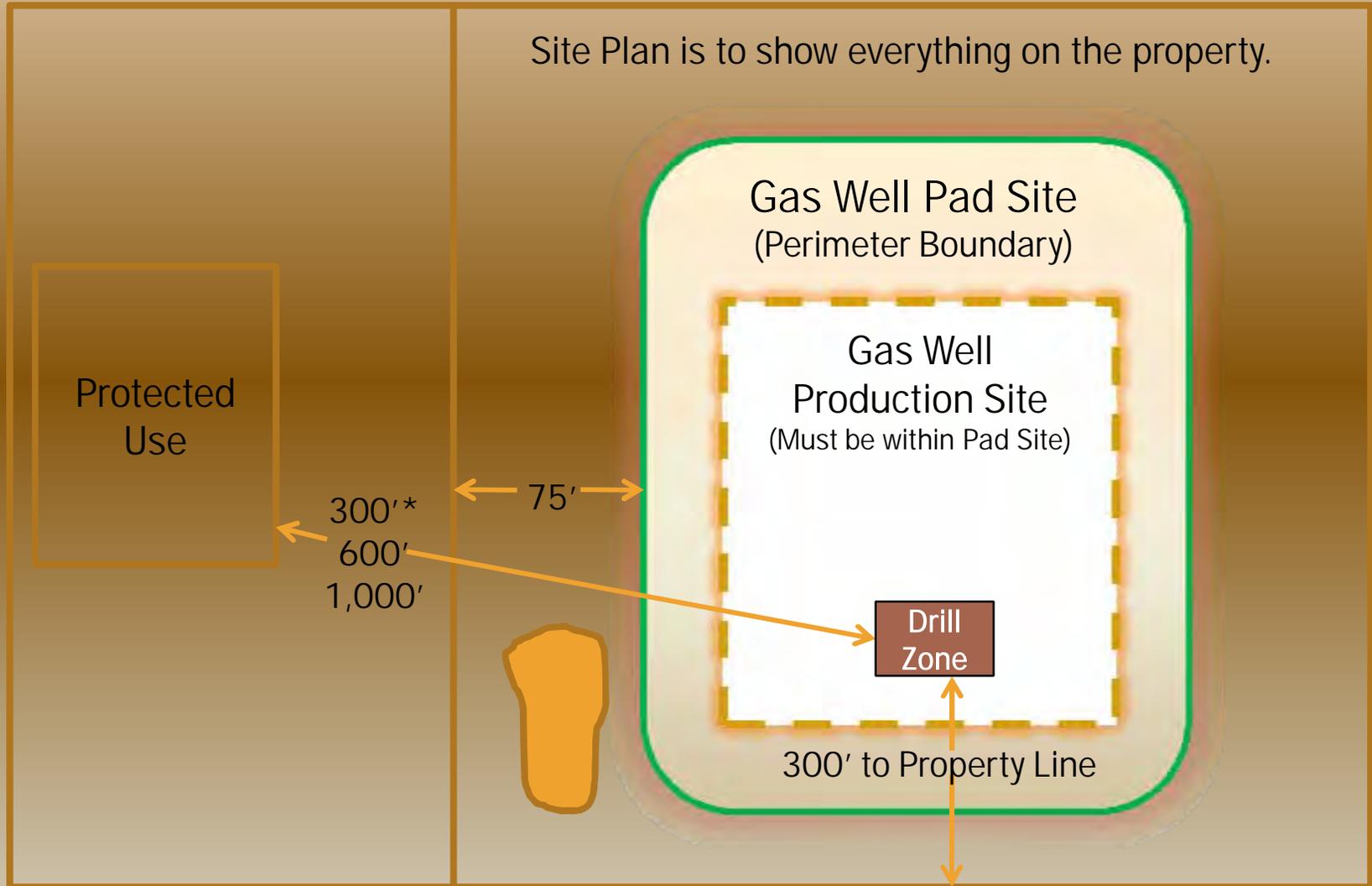
- What are the classifications of Gas Well Pad Sites?
 - High Impact – *Gas Well Pad Site contains a Drill Zone located within 600' of a Protected Use.*
 - Urban – *Gas Well Pad Site contains a Drill Zone located between 600' and 1,000' of a Protected Use.*
 - Rural – *Gas Well Pad Site contains a Drill Zone located more than 1,000' from a Protected Use.*
 - ❖ NOTE: distance of GWPS from a Protected Use is at the time of GWPS application.

Technical Standards Ordinance Specifics (continued)

Part One - Drilling and Production (continued)

- What is the "Drill Zone"?
 - *"The area within an approved Gas Well Pad Site designated for drilling, as shown in the Site Plan part of the Specific Use Permit approval process."*
- What is a "Protected Use"?
 - *"A residence, religious institution, public building, health care facility building, school, or public park. The term shall not apply to accessory buildings, garages, hangars, or storage buildings."*
- What is a "Gas Well Production Site"?
 - *"The area used for the production of gas, oil and other hydrocarbons. Reworking, re-fracking, and other well maintenance activities may also be conducted within this area. Drilling shall only be permitted within the Drill Zone located within a Gas Well Pad Site."*

Setbacks



Technical Standards Ordinance Specifics (continued)

Part One - Drilling and Production (continued)

- Other Gas Well Pad Site requirements (page 21)
 - *Perimeter of GWPS must be a minimum of 75' from adjacent property line. Can be reduced with adjacent property owners consent and Town approval.*
 - *GWPS fronting on one or more streets; the setback shall as be required by the building setback for that lot or as approved by the Site Plan/SUP process.*
 - *The Drill Zone of any GWPS classification must always be at least 600' from all Protected Uses. It can reduced to 300', but only if all adjacent property owners and the Town consent.*
 - *The Drill Zone of any GWPS classification must always be at least 300' from all adjacent property lines. It can be reduced, but only with consent of all adjacent property owners and the Town.*

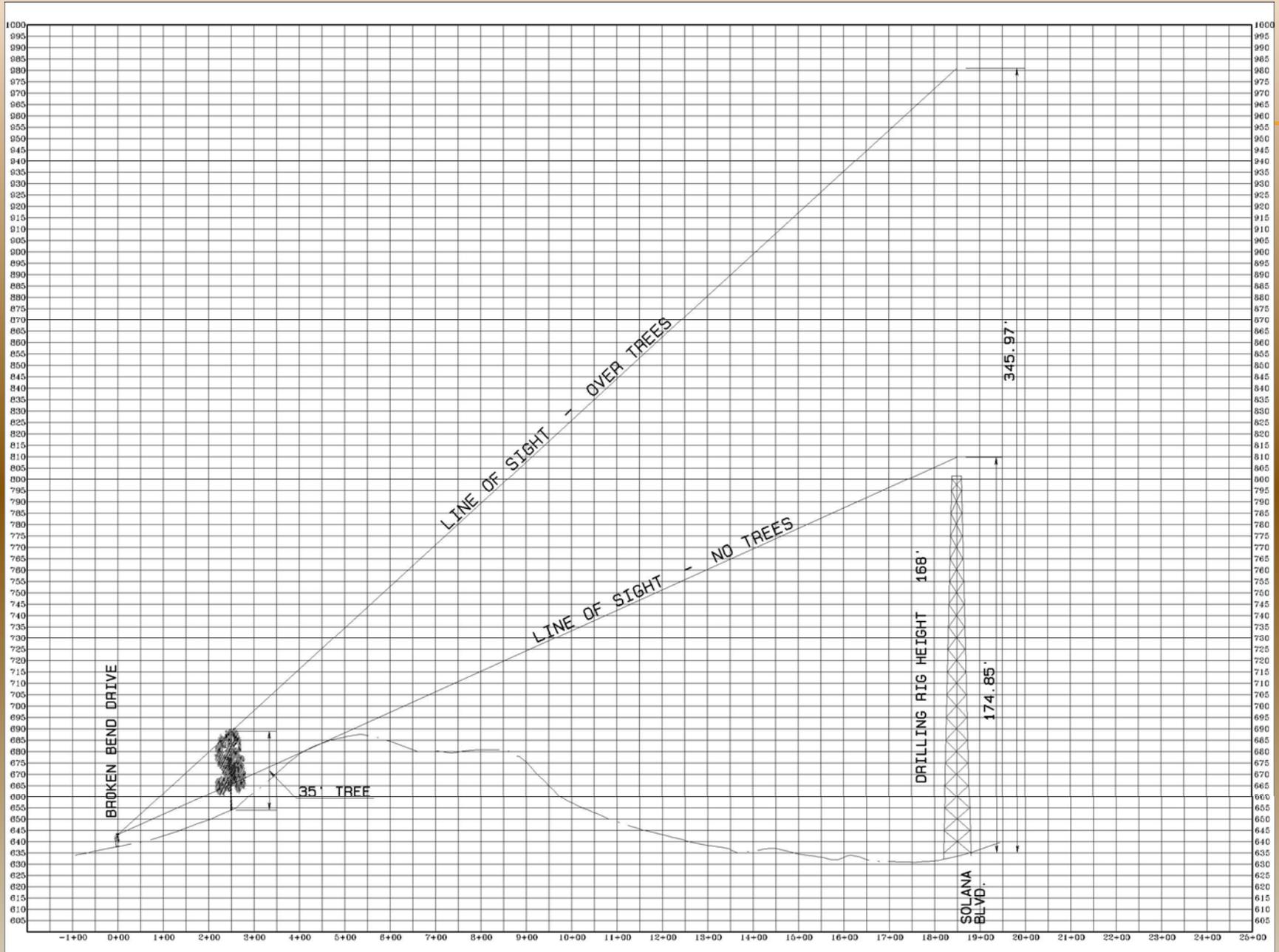
Technical Standards Ordinance Specifics (continued)

Part One - Drilling and Production (continued)

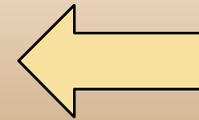
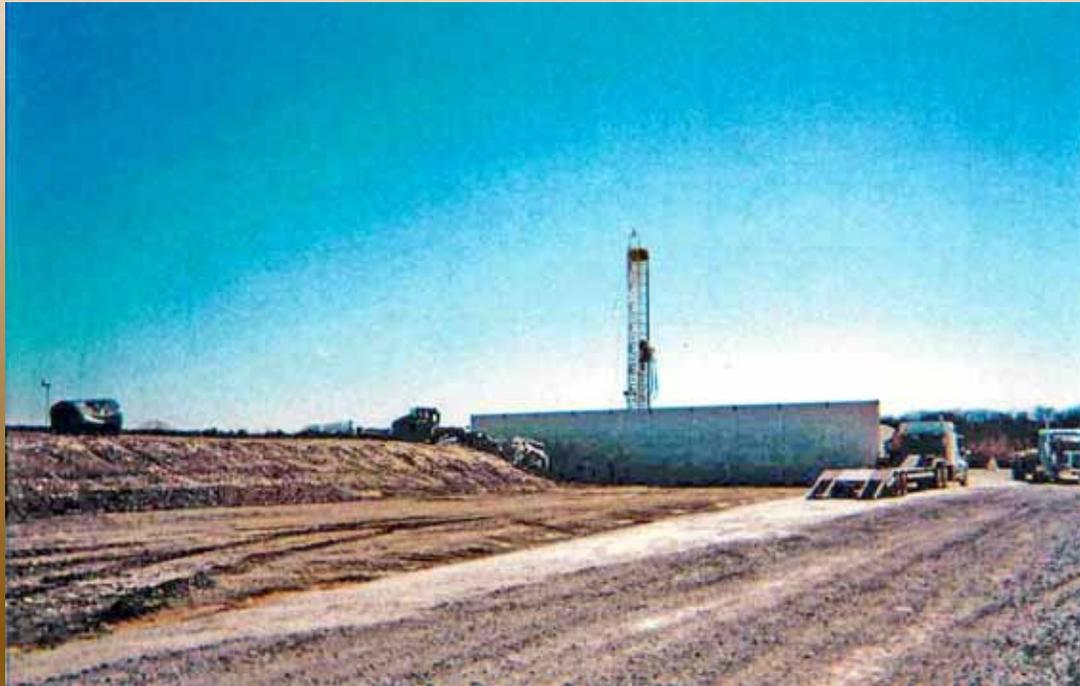
- Effects of setback increases/reductions:
 - *If Drill Zone becomes within 600' of a Protected Use = High Impact Classification Requirements.*
 - *If Drill Zone becomes within 600' to 1,000' of a Protected Use = Urban Classification Requirements.*
 - *If Drill Zone becomes outside 1,000' or more from a Protected use = Rural Classification Requirements.*
- Future Gas Wells on a GWPS can never be closer than 300' from a Protected Use, and can not be reduced by adjacent property consent.
- Drill Zones may not exceed two acres in size.



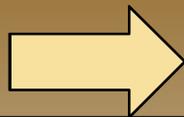
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Rig working for a range in Grand Prairie. Picture shows rig behind a 16' sound wall. Frac pit in foreground. Rolls of liner material on pit prior to lining pit.



Rig working for a range in Grand Prairie. Picture shows rig behind a 16' sound wall.



Master Planning

➤ Large Tracts

- *Maguire Partners discussion*
- *Hillwood discussions begun*
- *Hillwood not complete with master planning*

➤ Suggested approach

- *Allow submittal of a "Master Gas Well Development Plan"*
 - ✓ *Requires a zoning ordinance amendment*
 - ✓ *Could be an incentive*
 - ✓ *Trading per well individual SUP's for a "one-timeSUP"*

No Consent Situations

- Important Question: what happens when there is this situation?
 - *High impact well classification application*
 - *Setback could be reduced to 300' with all adjacent property owners and Town consent*
 - *Applicant can not get all of the property owners consent*
 - *Mineral estate is denied access to extracting their minerals*
 - *Should there be any recourse for the applicant?*

So What Are We Needing to Deal With?

- Zoning ordinance amendments
- Finishing and adopting the technical standards ordinance
- Hillwood gas master planning

So, What's the Problem?

- Timing

- Hillwood – more work to do

- Maguire – ready now

A Recommended Way Forward

1. Deal with Maguire drill sites as a PD zoning amendment with special conditions attached (use draft of technical standards ordinance)
2. Adopt Fees
3. Begin 2 major zoning ordinance amendments
 - a. Drilling and production in all districts with an approved SUP
 - b. Allow use of "master gas well development plan" for multi-pad site tracts
4. Have Hillwood finish their pad site master plan
5. Finalize and adopt technical standards ordinance
 - a. Setbacks
 - b. No consent situations