## **Overview of Topics for Beartooth Front Zoning District Regulation**

## Introduction

In light of the recent discussions between the Stillwater Board of County Commissioners and landowners in southern Stillwater County, landowners have put together this outline and overview of a possible regulatory scheme for a zone intended to provide reasonable regulation of the surface impacts of oil and gas development.

The impetus for this is the landowners' years- long effort to implement Part 1 (citizen-initiated) zoning for a portion of the Beartooth Front, and the Commissioners' recent interest in accomplishing the same or similar goals through Part 2 (county-initiated) zoning.

The ideas set forth below are taken, in part, from other counties which have implemented zoning intended to regulate the surface impacts from oil and gas development (e.g. Carbon and Gallatin), as well as the landowners' study of the issue in preparing the Part 1 zoning petition.

## **Topics**

- 1. Type of zone: Part 2 zone, pursuant to §§ 76-2-201 et. Seq., MCA, in accordance with the Stillwater County Growth Policy.
- 2. <u>Boundaries of District</u>: Map on file with the Stillwater County Clerk and Recorder's Office and the Stillwater County Planning Department
- 3. Purpose of zone: To ensure that any oil and gas activities are done in a way that will:
  - a. Protect private property
  - b. Preserve public health, safety, and welfare
  - c. Protect the public infrastructure
  - d. Protect the quantity and quality of surface and ground water
  - e. Protect air quality
  - f. Protect soil quality;
  - g. Protect wildlife and their habitats,
  - h. Preserve cultural resources
  - i. Preserve scenic resources, views and provide adequate open space.
  - j. Preserve the unique rural residential and agricultural/ranching character of the District.
- 4. Natural Resources conditional use permits. (Modeled after four existing Gallatin County zones. Two of these, Bozeman Pass Zoning District and Bridger Canyon Zoning District, are Part 1 zones. Two, Reese Creek Zoning District and South Cottonwood Canyon Zoning District, are Part 2 zones.) Any oil or gas activity within the District would require a conditional use permit from the County. For the purposes of this District, a Natural Resources Conditional Use Permit (NRCUP) should be required for any oil or gas activity to ensure that this activity will not adversely affect nearby property, residents, groundwater, streams, wetlands and viewsheds; that it is conducted in a reasonable and responsible manner; that the activity contributes and guarantees payment of an appropriate share of the costs of public services and facilities; and that adequate financial security has been provided to mitigate any adverse effect. The NRCUP application process should include:
  - **a.** <u>Preliminary application plus fee</u>. This fee should be sufficient to reimburse the County for all anticipated costs associated with the preliminary application. A public hearing should be held on the preliminary application.
  - **b.** Final application plus fee. Final application should include
    - i. Baseline testing for water, soil, and air quality for all nearby properties. Baseline testing is required to establish chemicals in water, soil, and air prior to the commencement of oil and gas activity to establish the chemical composition of each prior to drilling (see Carbon County regulations).
    - ii. Plans to protect property values of nearby private property.
    - iii. Plans for fire protection and risk mitigation.
    - iv. Plans to protect water quality
    - v. Plans to protect soil quality
    - vi. Plans to protect air quality
    - vii. Plans to mitigate noise pollution

- viii. Plans for weed management and control of noxious weeds.
- c. Public hearing on final application. (see Gallatin County)
- 5. <u>Issuance of NRCUP</u>. The County Commission may issue a NRCUP following the public hearing on the final application.
  - a. <u>Fees.</u> For an NRCUP to be issued, the applicant must pay to the County a fee sufficient to reimburse the County for any anticipated infrastructure costs/losses incurred by the County because of the oil or gas activity.
  - b. The issuance of the NRCUP should be contingent meeting the following minimum standards:
    - i. <u>Highest and Best Management Practices (HBMP)</u>. HBMP are the practices, procedures, equipment, design features, work practices, operating standards, and technologies that, at the time of the issuance of a NRCUP the Planning Board determines best achieve the maximum degree of reduction of adverse impacts associated with oil and gas activity. HBMPs may include existing oil and gas industry BMPs, as well as any additional ones deemed necessary by the Commission. The County should provide, from time to time, a written description of the
    - ii. HBMP should include minimum requirements, including:
      - 1. Setbacks for residences, schools, hospitals, parks, waterways, and roads.
      - 2. Wellpad minimum spacing.
      - 3. Maximum number of wellbores per wellpad.
      - 4. No flaring of gas except in emergency to protect pubic health and safety.
      - 5. No venting from wellbore except in emergency to protect the public health and safety.
      - 6. Sound suppression.
      - 7. Water quality.
      - 8. Wildlife preservation.
      - 9. Preservation of cultural resources.
  - c. <u>Standards for periodic testing of water, soil, and air on nearby properties</u>. This is necessary to determine whether there has been contamination or a reduction in quality.
  - d. <u>Possible limitations</u>. A NRCUP may be limited as follows:
    - i. Limited period of time.
    - ii. Vehicular activities
    - iii. Hours of operations
    - iv. Sound levels
    - v. Water pollution
    - vi. Fluid discharges
    - vii. Air pollution
    - viii. Soil chemical content
    - ix. Building and equipment height and locations
    - x. Reclamation at termination of the oil and gas activity on the site
    - xi. Financial liability requirements (bonding).

- 6. Beartooth Front Zoning Commission (BFZC). Pursuant to §§ 76-2-220, MCA, the Commissioners should appoint a five member zoning commission. The Zoning Commission must be composed of at least five landowner members appointed at large from the zoning district. The Initial Members should be appointed within 30 days of the formation of the Beartooth Front Zoning District. Duties of the BFZC should include consideration of amendments to the zoning ordination, recommending annuals changes to the HBMP, and monitoring progress reports and recommending enforcement action.
- 7. <u>Variances, Appeals, Complaints, Enforcement</u>. The regulations should also include these topics.