

Tabled 11-10-87

ORDINANCE NO. 11

AN ORDINANCE TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF THE CITIZENS OF LOG CABIN, TEXAS, BY REGULATING THE DRILLING OF OIL AND GAS WELLS, OIL, GAS, AND MINERAL EXPLORATIONS, AND THE EXCAVATION, MINING OR EXTRACTION OF SAND, GRAVEL, COAL, LIGNITE, OR OTHER MINERALS FROM EITHER THE SURFACE OR BENEATH THE SURFACE OF THE GROUND WITHIN THE CITY LIMITS OF LOG CABIN, TEXAS, ESTABLISHING A PERMIT AND BOND REQUIREMENT AND PROVIDING FOR A PENALTY FOR VIOLATION.

BE IT ORDAINED BY THE CITY COUNCIL OF LOG CABIN, TEXAS:

SECTION 1: The word "person" wherever used in this ordinance means and include any natural person, corporation, association, partnership, receiver, trustee, guardian, executor, administrator, fiduciary, or representative of any kind.

SECTION 2: Prohibited Acts

a. It shall be unlawful for any person to: drill, commence drilling, explore, commence exploring, in search of, or production of, oil or gas within the city limits of Log Cabin, Texas, or to aid or assist in any fashion the prosecution of such operations unless a Permit therefor has been issued by the City Council of Log Cabin in accordance with the provisions hereof.

b. It shall be unlawful for any person to: Excavate, mine, extract sand, gravel, lignite, coal, or other minerals, or to explore either the search or production thereof, or to aid or assist in any fashion the prosecution of such operations unless a Permit thereof has been issued by the City Council of Log Cabin, Texas, in accordance with provisions hereof.

SECTION 3: Permit Issuance

The City Council aforesaid shall issue such Permits only in accordance with, and upon compliance with, the following requirements:

- a. An application for a Permit shall be made in writing to the City Council giving complete and detailed information as to:
 - 1. Proposed location or site legally described.
 - 2. Names and addresses of both the surface owners and mineral owners.
 - 3. Type of proposed operation (exploration, production, and drilling, mining, excavation of oil, gas, sand, gravel, coal, lignite, etc.)
 - 4. Details as to kinds and amounts of equipment to be employed, both on site and mobile.
 - 5. Detailed map or layout as to exact location and center

of the proposed operations.

b. Upon issuance of a Permit a fee therefor is to be paid to the City of Log Cabin, Texas. The fee for drilling operations, either exploration or production, will be \$ 1,000.00 The fee for mining or excavation operations, either exploration or production, will be \$ 1,000.00

c. Upon issuance of a Permit, but before delivery thereof, a surety bond shall be filed with the City of Log Cabin, Texas, in a penal sum to be fixed by the City Council, but not less than \$ 20,000.00. Such surety bond shall be executed by the Permittee as Principal, and a corporate surety, as surety. Such corporate surety shall not only be duly authorized to do business in Texas but must be on the current List of Approved Suretys insured by the United States Treasury Department, and the required penal sum of the bond must be within the limits imposed by such List.

d. The bond required by subsection c. above shall become effective as of the date of the Permit, filed with the City Council and conditioned that the Permittee will comply with all conditions and provisions of this ordinance and the Permit issued hereunder; further conditioned that the Permittee will promptly restore all streets, roads, sidewalks, and all public property, real or personal, destroyed or damaged by operations of the Permittee as well as all privately owned property, real or personal, within the city limits destroyed or damaged by operations of the Permittee. Said bond shall also be conditioned that the Permittee will promptly clear the affected site(s), public or private, of all litter, trash, waste, or other substances used in the operations, and will promptly grade, level and restore all property, as near as reasonably possible, to the same condition existing when operations began. The said bond shall provide that it will hold the City of Log Cabin, Texas, harmless from any and all loss, liability or expense arising out of, or attributable to the operations of the Permittee.

e. Any aggrieved owner of real or personal property situated within the City of Log Cabin shall have a direct cause of action on said bond.

f. Any suit, by the City of Log Cabin or other parties, shall be brought in a court of competent jurisdiction and must be filed within thirty (30) calendar months from the expiration of sixty (60) days following the date of written demand on the Surety and Principal.

g. The surety may terminate the bond as to future liability thereunder by giving both the Principal and the City of Log Cabin sixty (60) days notice thereof by registered or certified mail. In the event of such cancellation notice, the Permittee will, before the expiration of sixty (60) days file a new bond that is in conformity with this Ordinance to be effective as of the effective date of the termination of the bond it replaces. In the event the Permittee

fails for any reason to file a satisfactory replacement bond, all of the rights conferred by said Permit shall be suspended, and all operations of the Permittee, as well as operations, if any, of any other parties, shall immediately cease.

h. Permits issued under this ordinance are not assignable or transferable.

i. If a Permittee desires to assign or transfer his operations, the proposed Assignee shall apply for his own Permit and furnish his own bond, as provided in this ordinance.

SECTION 4: Permit Application Procedure, Notice, Advertising.

a. As to applications for Permits hereunder, notice thereof shall be posted at the City Hall of Log Cabin and published at least once in a newspaper published in Henderson County, Texas, having at least a weekly publication, at least twenty (20) days before action thereon, by the City Council, at a regular or special meeting. Each application shall be accompanied by payment of \$35.00 to cover the cost of Notice and Advertising.

SECTION 5: Right of Entry.

Representatives of the city (i.e. inspector or law enforcement personnel) shall have the right to enter upon the premises of any operations regulated hereby, at reasonable times, for the purpose of insuring that this ordinance is being complied with by the Permittee.

SECTION 6: Police Power Exercise.

This entire ordinance is enacted for the protection of the health, safety, and welfare of the citizens of Log Cabin, Texas.

SECTION 7: Penalty for Violation.

Any person violating any of the provisions of this ordinance shall be fined in an amount not less than Twenty Dollars \$20.00 or more than Two Hundred Dollars (\$200.00). Each day of violation shall be considered a separate offense hereof.

SECTION 8: Severance Clause.

Each and every section and subsection of this ordinance has been considered separately and passed on by the governing body of Log Cabin, Texas, and in the event any section or subsection of this ordinance should be held invalid or unconstitutional through judicial action, the remainder of the ordinance shall not be invalidated and shall remain in effect.

PASSED AND APPROVED THIS 12 DAY OF December,
1987 .


Mayor, City of Log Cabin

A T T E S T:


City Secretary