

## Exhibit 2b

- ~~Text with a single strike through and no highlighting is existing ordinance text that is proposed for deletion.~~
- Text in blue highlighting was text proposed as part of July 28<sup>th</sup>, 2022, and August 18<sup>th</sup>, 2022 Planning Commission hearings that is still recommended for inclusion.
- ~~Text in yellow highlighting with strike through was text proposed as part of July 28<sup>th</sup> 2022 and August 18<sup>th</sup> 2022 Planning Commission hearings that is no longer proposed for inclusion.~~
- Text in blue font is new text proposed as part of the September 21, 2023 hearings.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA,  
AMENDING DIVISION 8, CHAPTER 1.1, SECTIONS 8175-5.7.5 AND 8175-5.7.8 OF  
THE VENTURA COUNTY ORDINANCE CODE, COASTAL ZONING ORDINANCE,  
PERTAINING TO OIL AND GAS EXPLORATION AND PRODUCTION PERMIT  
TERMS, SURETIES AND INSURANCE**

The Board of Supervisors of the County of Ventura (“County”) ordains as follows:

### Section 1

Section 8175-5.7.5 of the Ventura County Ordinance Code is hereby amended to read as follows:

**Sec. 8175-5.7.5 - Required Permits; Application Processing**

- a. No *oil or gas exploration or production related use* may commence without or inconsistent with a Conditional Use Permit approved pursuant to this Chapter. Furthermore, a *Zoning Clearance* must be obtained by the permittee to confirm consistency with the Coastal Zoning Ordinance and/or Conditional Use Permit prior to drilling every well, commencing site preparation for such well(s), and/or expansion of existing facilities, including redrilling of existing wells or changing from a producing well to a water injection well, or installing related appurtenances as defined by the *Planning Director*, or prior to abandonment. However, a single *Zoning Clearance* may be issued for more than one well or drill site or *structure*. Possession of an approved Conditional Use Permit shall not relieve the operator of the responsibility of securing and complying with any other permit that may be required by other County Ordinances, or State or Federal laws. No condition of a Conditional Use Permit for *uses* allowed by this

Chapter shall be interpreted as permitting or requiring any violation of law, or any lawful rules, or regulations or orders of an authorized governmental agency. When more than one set of rules apply, the stricter one shall take precedence.

- b. New Conditional Use Permits and permit modifications that include, but are not necessarily limited to, permit renewals or time extensions that authorize *oil and gas exploration and production* shall not be approved with a term that exceeds 15 years, although subsequent terms not to exceed 15 years may be sought pursuant to Renewal Applications in accordance with Section 8175-5.7.5(c) below. Post-closure activities such as any required site restoration may occur after a Conditional Use Permit's term expires.
- c. This Section 8175-5.7.5(c), rather than Section 8181-5.6 (Continuance of Permit During Renewal Process) of this Article, shall apply to discretionary permit modification applications that include, but are not necessarily limited to, a request to renew the term of an existing Conditional Use Permit that authorizes *oil and gas exploration and production* (hereinafter, "Renewal Application"). In order for an existing Conditional Use Permit that is the subject of a Renewal Application to remain in effect while said application is processed and acted upon by the County, the following application materials must be submitted to the Planning Division no later than 12 months before the expiration date of the existing Conditional Use Permit:
  1. A completed County discretionary permit application form;
  2. An executed County Reimbursement Agreement regarding the recovery of County costs to process the application;
  3. An initial fee deposit for the processing of the application in accordance with the Planning Division Fee Schedule;
  4. A site plan of the entirety of the area subject to the existing Conditional Use Permit that depicts the location and nature of all existing and proposed oil and gas facilities;
  5. A list of all existing oil and gas wells located within the existing Conditional Use Permit area by American Petroleum Institute (API) number;
  6. A written project description; and
  7. Any other generally applicable application materials that are required in writing by the Planning Division.

In order for the existing Conditional Use Permit to remain in effect pursuant to this Section 8175-5.7.5(c) while a Renewal Application is processed and acted upon by the County, the applicant must also diligently pursue the application to final decision, including, but not limited to, by timely responding to all County requests for information that are required to process and act upon the application.

## Section 2

Section 8175-5.7.8 of the Ventura County Ordinance Code is hereby amended to read as follows:

### Sec. 8175-5.7.8 – Oil Development and Operational Standards

The following are minimum standards and requirements, which shall be applied pursuant to Sec. 8175-5.7.2. More restrictive requirements may be imposed on a project through the conditions of the permit.

- a. Setbacks – Wells shall be located a minimum of 800 feet from an occupied sensitive use. Private access roads to drill sites shall be located a minimum of 300 feet from occupied sensitive uses, unless a waiver is signed pursuant to Sec. 8175-5.7.8(xw). In addition, no well shall be drilled and no equipment or facilities shall be permanently located within:
  1. 100 feet of any dedicated *public street*, highway or nearest rail of a railway being used as such, unless the new well is located on an existing drill site and the new well would not present a safety or right-of-way problem. If aesthetics is a problem, then the permit must be conditioned to mitigate the problem.
  2. 500 feet of any *building* or *dwelling* not necessary to the operation of the well, unless a waiver is signed pursuant to Sec. 8175-5.7.8(xw), allowing the *setback* to be reduced. In no case shall the well be located less than 100 feet from said *structures*.
  3. 800 feet of any institution, school or other *building* used as a place of public assemblage, unless a waiver is signed pursuant to Sec. 8175- 5.7.8(xw), allowing the *setback* to be reduced. In no case shall the well be located less than 300 feet from said *structures*.
  4. 300 feet from the edge of the existing banks of "Red Line" channels as established by the Ventura County Watershed Protection District (VCWPD) and 100 feet from the existing banks of all other channels appearing on the most current United States Geological Service (USGS) 2,000' scale topographic map as a blue line. These *setbacks* shall prevail

unless the permittee can demonstrate to the satisfaction of the Public Works Agency that the subject *use* can be safely located nearer the *stream* or channel in question without posing an undue risk of water pollution, damage to wildlife and *habitat*, or impairment of flood control interests. In no case shall *setbacks* from *streams* or channels be less than 50 feet. All drill sites located within the 100-year flood plain shall be protected from flooding in accordance with **VCWPD** requirements.

5. The applicable *setbacks* for *accessory structures* for the zone in which the *use* is located.
6. 100 feet from any marsh, small wash, intermittent lake, intermittent *stream*, spring or perennial *stream* appearing on the most current USGS 2,000' scale topographic map, unless a *qualified biologist*, approved by the County, determines that there are no significant biological resources present or that this standard *setback* should be adjusted.
- b. Obstruction of Drainage Courses – Drill sites and access roads shall not obstruct natural drainage courses. Diverting or channeling such drainage courses may be permitted only with the authorization of the Public Works Agency.
- c. Removal of Equipment – All equipment used for drilling, re-drilling, and maintenance work on approved wells shall be removed from the site within 30 days of the completion of such work unless a time extension is approved by the *Planning Director*.
- d. Waste Handling and Containment of Contaminants – Oil, produced water, drilling fluids, cuttings, and other contaminants associated with the drilling, production, storage, and transport of oil shall be contained on the site unless properly transported off-site or injected into a well, treated or re-used in an approved manner on-site or, if allowed, off-site. Appropriate permits, permit modifications or approvals must be secured when necessary, prior to treatment or re-use of oil field waste materials. The permittee shall furnish the *Planning Director* with a plan for controlling oil spillage and preventing saline or other polluting or contaminating substances from reaching surface or subsurface waters. The plan shall be consistent with the requirements of the County, State and Federal Government.
- e. **Sureties** for Oil and Gas Exploration and Production.

~~Prior to the commencement or continuance of drilling or other uses on an existing permit, the permittee shall file, in a form acceptable to the County Counsel and certified by the County Clerk, a bond or other security in the penal amount of not less than \$10,000.00 for each well that is drilled or to~~

~~be drilled. Any operator may, in lieu of filing such a security for each well drilled, redrilled, produced or maintained, file a security in the penal amount of not less than \$10,000.00 to cover all operations conducted in the County of Ventura, a political subdivision of the State of California,~~

Notwithstanding any provision or condition of this Chapter or any existing Conditional Use Permit or Special Use Permit to the contrary, the following requirements shall apply to any *person* who, by virtue of ownership, or under the authority of a lease or any other agreement, has the right to drill, operate, maintain, or control an onshore oil and gas well or production facility in unincorporated Ventura County, excluding federal lands. Such *person* is defined as an “operator” for purposes of this Section 8175-5.7.8(e).

1. Each operator shall file, in a form acceptable to County, surety bonds or cash equivalents as described below. Each surety shall list the County of Ventura as the obligee. Operators shall maintain the minimum amount of each surety with no gap in coverage until the operator has fulfilled and performed the obligation secured by each respective surety. Sureties shall not be terminated and cancelled unless and until the Planning Director or designee has confirmed in writing that (1) the operator has fulfilled its obligations secured by each respective surety, or (2) an adequate substitute surety has been provided. The sureties required by the below provisions may be bundled, consolidated, and/or grouped together into a blanket bond or similar financial instrument, so long as the total amount equals or exceeds the total amount of surety coverage required by the below provisions, and covers all wells for which the sureties are being submitted. County sureties required by this Section 8175-5.7.8(e) are additional to any sureties required by state and federal agencies for oil and gas operations.
2. For purposes of this Section 8175-5.7.8(e), the term “well” shall have the same meaning as broadly defined by Public Resources Code section 3008, subdivision (a), and shall include the specific types of wells defined in Public Resources Code section 3008, subdivisions (b) through (e), as may be amended.
3. Surety bonds shall be issued by an entity listed in the latest version of U.S. Department of Treasury Circular 570 that is authorized to issue bonds in California, and that has a bonding limitation shown in said circular sufficient to provide bonds in the amount required by this Section 8175-5.7.8(e).
4. A cash equivalent surety may consist of a letter of credit, cashier’s check, or certificate of deposit. It must be prepared and issued by a federally insured commercial bank with an office in California in a form approved by County Counsel, payable to the County of Ventura, in an amount equal to the required surety or the sum of the amounts of the required surety.

5. Each surety shall be conditioned upon the operator fulfilling and performing the obligation secured by the respective surety. In particular, the Surface Restoration and Well Abandonment Surety as described below shall be conditioned on the operator's Restoration (defined below) of its onshore oil and gas exploration and production sites in unincorporated Ventura County, excluding federal lands, as determined and confirmed by the Planning Director or designee, as well as. ~~The Well Abandonment Surety and Long-Term Idle Well Abandonment Supplement Surety as described below shall be conditioned on~~ the operator's proper plugging and abandonment of the operator's onshore wells in unincorporated Ventura County, excluding federal lands, in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements. In case of any failure by the operator to perform its obligations under a surety, the Planning Director shall declare all or part of the surety forfeited in accordance with its provisions. The surety company and principal shall be jointly and severally obligated to pay forthwith the full amount of the forfeiture to the County of Ventura. The forfeiture of any surety shall not insulate the operator and/or property owner from liability in excess of the sum of the surety for damages or injury, or expense or liability suffered by the County of Ventura or other parties, from any breach by operator and/or property owner of any term or condition of a County permit or violation of any applicable law or governmental regulation. Each surety shall be promptly released and exonerated by County after all applicable obligations have been performed and satisfied.

6. Surety Amounts

- (a) Surface Restoration and Well Abandonment Surety. A Surface Restoration and Well Abandonment Surety is required to guarantee the operator's restoration and remediation of its onshore oil and gas exploration and production sites in unincorporated Ventura County, excluding federal lands, to as nearly their pre-oil and gas exploration and production condition as is practicable including, to the extent not inconsistent with state or federal law, by: removing all equipment, facilities, tanks, pipelines and other improvements associated with the above ground oil and gas operations; performing any required remediation of environmental contamination caused by said operations; and/or otherwise complying with all applicable local, state and federal restoration and remediation requirements including but not limited to all revegetation requirements contained in an existing Conditional Use Permit or Special Use Permit authorizing the land use (collectively, "Restoration"). This surety is also required to guarantee the proper plugging and abandonment of the operator's onshore wells



in unincorporated Ventura County, excluding federal lands in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements (collectively, "Well Abandonment"). All Surface Restoration and Well Abandonment Surety amounts forfeited to the County shall be held in trust, and released to and used by the California Geologic Energy Management Division, County, or other County-approved *person* for the sole purpose of funding Restoration of the operator's site(s) and abandonment of all wells covered by the surety in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements.

i. The default amount of the Surface Restoration and Well Abandonment Surety shall be \$43,000 per onshore well, exclusive of properly abandoned wells, within unincorporated Ventura County, excluding federal lands, not to exceed \$10,000,000 for any one operator (hereinafter, "Default Amount"). In lieu of providing a surety in the Default Amount, the surety amount may reflect twenty-five percent (25%) of the estimated cost of Restoration and Well Abandonment of the operator's oil and gas exploration and production sites and wells in unincorporated Ventura County based on a site-specific Restoration and Well Abandonment plan and cost estimate prepared by a qualified third-party professional at operator's sole expense and approved by the County Planning Division (hereinafter "Site-Specific Plan and Cost Estimate Amount").

ii. For the surety amount to be initially established at twenty-five percent (25%) of the Site-Specific Plan and Cost Estimate Amount, such plan and cost estimate must be submitted to, and approved as to accuracy by, the Planning Division prior to the date the Surface Restoration and Well Abandonment Surety is initially due. Otherwise, the initial surety amount shall be the Default Amount which may thereafter be adjusted upon the Planning Division's approval as to accuracy of an operator-submitted cost estimate and restoration plan. Site-Specific Plan and Cost Estimate Amount.

~~based on the total number of operator's wells, exclusive of properly abandoned wells, within unincorporated Ventura County as follows:~~

~~1-5 wells - \$100,000~~

~~6-10 wells - \$185,000~~

~~11-20 wells - \$300,000~~

~~21-50 wells - \$500,000~~

~~51-100 wells - \$1,000,000~~

~~101-200 wells - \$3,000,000~~

~~201-400 wells - \$5,000,000~~

~~≥401 wells - \$10,000,000~~

**D** ~~(b) Well Abandonment Surety. A Well Abandonment Surety is required to guarantee the proper plugging and abandonment of the operator's wells in unincorporated Ventura County in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements. The amount of the surety shall be \$36,000 for each of operator's wells, exclusive of properly abandoned wells, not to exceed \$5,000,000 for any one operator for its wells located in unincorporated Ventura County. All Well Abandonment Surety amounts forfeited to the County shall be held in trust, and released to and used by the California Geologic Energy Management Division, County, or other County-approved person for the sole purpose of funding the plugging and abandonment of all wells covered by the surety in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements.~~

(b) Long-Term Idle Well Abandonment Supplement Surety. A Long-Term Idle Well Supplement Surety is required, in addition to the Surface Restoration and Well Abandonment Surety, to further guarantee that long-term idle well are properly plugged and abandoned in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements. The amount of the supplement surety shall be \$15,000 for each of operator's onshore long-term idle wells located in unincorporated Ventura County, excluding federal lands, that has been idle for 15 years or more. not to exceed \$5,000,000 for any one operator for its 15-year-plus idle wells located in unincorporated Ventura County. This supplement surety amount may be added to, and jointly filed with the County with, the required Well Abandonment Surety in cases where the sureties are covering the same wells. All



Long-Term Idle Well Abandonment Supplement Surety amounts forfeited to the County shall be held in trust, and released to and used by the California Geologic Energy Management Division, County, or other County-approved *person* for the sole purpose of funding the plugging and abandonment of all wells covered by the surety in accordance with the requirements of the California Geologic Energy Management Division or its successor agency, and any other applicable state and federal requirements.

- (c) No Duplication of Surety Requirements. The purpose of this subsection is to avoid the County's requirement of sureties under this Section 8175-5.7.8(e) ("County Sureties") in amounts, when combined with an operator's sureties required by the State and other public entities covering the same wells, that exceed the Estimated Plugging and Restoration Costs for an operator's onshore wells in unincorporated Ventura County, excluding federal lands. County Sureties shall be reduced or eliminated if the operator establishes either of the following, as applicable:
- i. For operators with no oil and gas operations in California outside of unincorporated Ventura County, that it maintains sureties with the California Geologic Energy Management Division or its successor agency, and any other State agency, for well plugging and abandonment and site restoration ("State Sureties") covering its operations in unincorporated Ventura County in an amount which, when added to the amounts of the County Sureties, meets or exceeds the full estimated costs of properly abandoning all of the operator's wells and completing Restoration of all of the operator's oil and gas sites ("Estimated Plugging and Restoration Costs") in unincorporated Ventura County. If the operator makes this showing, the amounts of the respective County Sureties shall be proportionally reduced to a combined amount which, when added to the amount of the State Sureties, equals the Estimated Plugging and Restoration Costs; or
  - ii. For operators with oil and gas operations in unincorporated Ventura County and at least one additional city or unincorporated county in California, if the operator's State Sureties cover its oil and gas operations in unincorporated Ventura County as well as in other California cities and unincorporated counties ("Local Jurisdictions"), that the amount of its State Sureties, when added to the amounts of its County Sureties and all sureties the operator maintains for well plugging and abandonment and site restoration with other Local Jurisdictions, meets or exceeds the Estimated Plugging and Restoration Costs in unincorporated Ventura

County and all other Local Jurisdictions covered by the State Sureties. If the operator makes this showing, the amounts of the respective County Sureties shall be proportionally reduced to a combined amount which, when added to the State Sureties and the sureties of all other Local Jurisdictions, equals the Estimated Plugging and Restoration Costs for all wells and sites covered by such sureties.

- iii. An operator may submit a written application to the Planning Division, in accordance with the applicable provisions of Section 8181-5, seeking to reduce or eliminate its County Sureties pursuant to this Section 8175-5.7.8(e)(6)(c). Unless and until the operator's application is approved in a final County decision, the operator shall be required to furnish all required County Sureties in the full amounts required by this Section 8175-5.7.8(e)(6). The operator shall provide the following information and materials with the application: (a) its well inventory for unincorporated Ventura County pursuant to Section 8175-5.7.8(e)(7)(b) below; (b) true and correct copies of the operator's State Sureties in effect; (c) if the operator's State Sureties also cover operations in other Local Jurisdictions, copies of all sureties in effect with those Local Jurisdictions, if any; (d) a report stating the number and location of all wells and production sites, and itemizing the Estimated Plugging and Restoration Costs, for the operator's operations in unincorporated Ventura County and all other Local Jurisdictions, if applicable; and (e) all other information and materials reasonably requested by the Planning Division to assess the application.
- iv. The operator's application shall be administratively decided by the Planning Director without a public hearing. The application shall be granted, in whole or in part, if the operator makes the applicable showing set forth in Sections 8175-5.7.8(e)(6)(c)(i) or (ii). The operator shall be responsible for all fees and costs associated with the Planning Division's processing of its application, including those of an independent consultant who may be retained by the County to review and assess the operator's request. The Planning Division shall consult with the California Geologic Energy Management Division or its successor agency regarding all applications.
- v. If an operator's application is granted in whole or part the operator shall, as part of the annual surety review process set forth in Section 8175-5.7.8(e)(7)(d) below, thereafter provide the

Planning Division with the information and materials referenced in Section 8175-5.7.8(e)(6)(c)(iii) above to establish its continued entitlement to reduced or eliminated County Sureties. The Planning Division shall adjust the amount of the operator's reduced County Sureties during this process if required pursuant to the applicable standard set forth in Section 8175-5.7.8(e)(6)(c). If the County determines that the operator has failed to establish its continued entitlement to reduced or eliminated County Sureties, the operator shall furnish all required County Sureties in the full amounts required by this Section 8175-5.7.8(e)(6) within 60 days of the County's determination.

## 7. Calculating, Filing and Maintaining Sureties

- (a) New and renewed Conditional Use Permits shall include a condition of approval requiring the filing of all sureties required by this Section 8175-5.7.8(e) prior to use inauguration of the new or renewed permit.
- (b) Each operator with existing onshore wells within unincorporated Ventura County, excluding federal lands, shall submit a complete inventory of its such wells, (including but not limited to active, idle, and plugged and abandoned) wells, for review by the Planning Division by [60 days after the effective date of the ordinance].
- (c) The Planning Director or designee shall verify the required County surety amounts based upon review of information provided by the operator, the California Geologic Energy Management Division or its successor agency, and County permit records, and notify the operator in writing. Operators with existing wells in unincorporated Ventura County shall provide the Planning Division all County sureties (or qualifying cash equivalent sureties) required pursuant to this Section 8175-5.7.8(e) within 480 365 days from the date of this notification.
- (d) Between January 1 and January 31<sup>st</sup> of each calendar year commencing the year immediately after operators submit their initial sureties pursuant to this Section 8175-5.7.8(e), each operator shall submit an annual inventory of its wells, including active, idle, and plugged and abandoned and other wells, to the Planning Division, along with verification that the annual premiums for all required sureties have been paid, or that the cash equivalent sureties remain valid. This shall be referred to as the "Annual Surety Review". During the Annual Surety Review, or at any other time, an operator may request a surety adjustment in the event the amount of a required surety has changed in accordance with the applicable provisions of

this Section 8175-5.7.8(e), or the operator may apply for reduced or eliminated County Sureties pursuant to Section 8175-5.7.8(e)(6)(c) above.

- (e) At each five-year interval after the initial Annual Surety Review, each surety amount shall be inflation indexed (i.e., increased or decreased to account for inflation over the preceding five-year period), including for any surety amounts set at twenty-five percent (25%) of the Site-Specific Plan and Cost Estimate Amount pursuant to Section 8175-5.7.8(e)(6)(a)(i), based on the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for Los Angeles-Long Beach-Anaheim. Approximately 30 60 days prior to the Annual Surety Review process conducted on each such fifth year, the Planning Division shall notify each operator of the adjusted surety amounts, as inflation indexed. Operators shall thereafter submit replacement sureties to the Planning Division based on the applicable new amounts during the Annual Surety Review for that year.

8. An operator's compliance with the requirements of this Section 8175-5.7.8(e) must be confirmed prior to the issuance of a Zoning Clearance authorizing the operator's drilling or re-drilling of any new production well, including for any Zoning Clearance sought prior to the initial deadlines set forth in Section 8175-5.7.8(e)(7).
- f. Dust Prevention and Road Maintenance – The drill site and all roads or hauling routes located between the public right-of-way and the subject site shall be improved or otherwise treated as required by the County and maintained as necessary to prevent the emanation of dust. Access roads shall be designed and maintained so as to minimize *erosion*, prevent the deterioration of vegetation and crops, and ensure adequate levels of safety. The permittee shall treat unpaved access roads by either oiling and chipping, or use of an APCD-approved chemical dust palliative (such as Dust-Off -  $MgCl_2$ ) or use of other APCD-approved mechanisms.
- g. Light Emanation – Light emanation shall be controlled so as not to produce excessive levels of glare or abnormal light levels directed at any neighboring uses. Lighting shall be kept to a minimum to maintain normal nighttime light levels in the area, but not inhibit adequate and safe working light levels. The location of all flood lights and an outline of the illuminated area shall be shown on the landscape plan, if required, or on the requisite plot plan.
- h. Reporting of Accidents – The permittee shall immediately notify the Planning Director, the Fire Department and all other applicable agencies in the event of fires, spills, or hazardous conditions not incidental to the normal operations at the permit site. Upon request of any County Agency, the permittee shall

provide a written report of any incident within seven calendar days that shall include, but not be limited to, a description of the facts of the incident, the corrective measures used and the steps taken to prevent recurrence of the incident.

- i. **Painting** – Drill sites and production facilities shall be located so that they are not readily seen. All permanent facilities, structures, and aboveground pipelines on the site shall be colored so as to mask the facilities from the surrounding environment and uses in the area. Said colors shall also take into account such additional factors as heat buildup and designation of danger areas. Said colors shall be approved by the Planning Director prior to the painting of facilities.
- j. **Site Maintenance** – The permit area shall be maintained in a neat and orderly manner so as not to create any hazardous or unsightly conditions such as debris, pools of oil, water, or other liquids, weeds, brush, and trash. Equipment and materials used for the operation and maintenance of the oil well located at the site may be stored on site. If the well has been suspended, idled or shut-in for 30 days, as determined by the **California Geologic Energy Management Division**, all such equipment and materials shall be removed within 90 days.

k. **Site Restoration**

~~Within 90 days of revocation, expiration, surrender of any permit, or abandonment of the use, the permittee shall restore and revegetate the premises to as nearly its original condition as is practicable, unless otherwise requested by the landowner.~~

1. **Notwithstanding any provision or condition of this Chapter or any existing Conditional Use Permit or Special Use Permit to the contrary, the following restoration and remediation requirements shall apply to all existing and new onshore oil and gas exploration and production sites and operations in the coastal zone of unincorporated Ventura County, excluding federal lands. On expiration, revocation, relinquishment or abandonment of a Conditional Use Permit or Special Use Permit (collectively, "permit") authorizing the subject oil and gas production exploration and production land use ("Termination of Use"), the operator or property owner must restore and remediate the site to as nearly its pre-oil and gas exploration and production condition as is practicable including, to the extent not inconsistent with state or federal law, by: removing all equipment, facilities, tanks, pipelines and other improvements associated with the oil and gas operations; performing any required remediation of environmental contamination caused by said operations; and/or by otherwise complying with all applicable local, state and federal restoration and remediation requirements including but not**

limited to all revegetation requirements contained in an existing permit authorizing the land use (collectively, "Restoration").

2. Within 90 days after Termination of Use, operator or property owner shall submit to the Planning Division a Restoration plan prepared by a qualified third-party professional at operator's sole expense detailing the components and timing of Restoration. The Planning Director or designee, in consultation with the California Geologic Energy Management Division, shall review and approve the Restoration plan if it is compliant with this Section 8175-5.7.8(k). Restoration shall be diligently pursued and completed within one year after the plugging and abandoning of the last oil well in the subject permit area, unless the Planning Director or designee, in consultation with the California Geologic Energy Management Division, approves a different deadline for Restoration.

#### I. Insurance

~~The permittee shall maintain, for the life of the permit, liability insurance of not less than \$500,000 for one person and \$1,000,000 for all persons and \$2,000,000 for property damage. This requirement does not preclude the permittee from being self-insured.~~

1. Notwithstanding any provision or condition of this Chapter or any existing Conditional Use Permit or Special Use Permit to the contrary, the following requirements shall apply to any *person* who, by virtue of ownership, or under the authority of a lease or any other agreement, has the right to drill, operate, maintain, or control an *onshore* oil and gas well or production facility in unincorporated Ventura County, *excluding federal lands*. Such a person is defined as an "operator" for purposes of this Section 8175-5.7.8(l).
2. Each operator shall maintain the following insurance coverages with no gap in coverage, pursuant to the following terms and conditions, until full restoration of the operator's *oil and gas exploration and production site(s)* in unincorporated Ventura County in compliance with this Article is confirmed by the Planning Director or designee:
  - (a) General Liability for Oil & Gas Businesses: General Liability, with at least \$2,000,000 each occurrence and \$4,000,000 general aggregate.
  - (b) Environmental Impairment: Pollution Liability Policy with coverage not less than ~~\$10,000,000~~ \$5,000,000. Coverage shall apply to sudden and gradual pollution conditions resulting from: the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, natural gas, waste materials, or other irritants, contaminants, or pollutants (including asbestos) written on an occurrence basis. If the



coverage is written on a claims-made basis rather than occurrence basis, any retroactive date applicable to coverage under the policy shall be no later than the policy inception date, and continuous coverage shall be maintained or an extended discovery period must exist for a period of at least three (3) years beginning from the date that full restoration of all of the operator's *oil and gas exploration and production* sites in unincorporated Ventura County in compliance with this Article is confirmed by the County. If the operator is responsible for the transport of any hazardous waste this Pollution Liability Policy must cover said transport activity, or operator may add Insurance Services Office (ISO) endorsement CA 9948 and MCS-90 to a Business Automobile Policy.

- (c) Control of Well (initial drill or well modification) coverage of a minimum of ~~\$10,000,000~~ \$5,000,000 per occurrence to cover cost of controlling a well that is out of control, drilling or restoration expenses, and seepage and pollution damage.
  - (d) Excess ~~(or Umbrella)~~ Liability Insurance: Minimum limit of \$25,000,000 ~~\$10,000,000~~ providing excess coverage for each of the perils insured by the preceding insurance policies — General Liability, Environmental Impairment, and Control of Well.
3. The County of Ventura, its boards, agencies, departments, officers, employees, agents, and volunteers shall be named as additional insureds ("Additional Insureds") as respect to all work done, activities undertaken, and operations conducted by the operator on all required insurance policies. All required insurance shall be primary coverage with respect to Additional Insureds, and any insurance or self-insurance maintained by Additional Insureds shall be excess of operator's insurance coverage and not contribute to it.
  4. Operator shall immediately inform the Planning Division if any aggregate insurance limit is exceeded in which case the operator must obtain additional coverage to meet the requirements of this Section 8175-5.7.8(l).
  5. Policies shall not be canceled, non-renewed or reduced in scope of coverage until after 60 days written notice has been provided to the Planning Division. Operator shall provide the Planning Division with certificates of insurance and Additional Insured endorsements demonstrating proof of any new policy with verification that it will be effective on or before the end of the existing policy.



6. Operator shall require adequate insurance of its contractors and subcontractors.
7. Operators with existing onshore oil and gas wells or production facilities in unincorporated Ventura County, excluding federal lands, shall provide the Planning Division with certificates of insurance and Additional Insured endorsements demonstrating proof of all insurance required by this 8175-5.7.8(l) by [90 days from effective date of ordinance]. New and renewed Conditional Use Permits shall include a condition of approval requiring the provision of said proof of insurance prior to the use inauguration of the new or renewed permit.
8. An operator's compliance with the requirements of this Section 8175-5.7.8(l) must be confirmed prior to the issuance of a Zoning Clearance authorizing the operator's drilling or re-drilling of any new production well, including for any Zoning Clearance sought prior to the initial deadlines set forth in Section 8175-5.7.8(l)(7).

m. Noise Standard – Unless herein exempted, drilling, production, and maintenance operations associated with an approved oil permit shall not produce noise, measured at a point outside of occupied sensitive uses such as residences, schools, health care facilities, or places of public assembly, that exceeds the following standard or any other more restrictive standard that may be established as a condition of a specific permit. Noise from the subject project shall be considered in excess of the standard when the average sound level, measured over one hour, is greater than the standard that follows. The determination of whether a violation has occurred shall be made in accordance with the provisions of the permit in question.

Nomenclature and noise level descriptor definitions are in accordance with the Ventura County General Plan Goals, Policies and Programs and the Ventura County General Plan Hazards Appendix. Measurement procedures shall be in accordance with the Ventura County General Plan Goals, Policies and Programs, and General Plan Hazards Appendix.

The maximum allowable average sound level is as follows:

**AVERAGE NOISE LEVELS (LEQ)**

Time Period	Drilling and Maintenance Phase	Producing Phase
Day (6:00 a.m. to 7:00 p.m.)	55 dBA	45 dBA

Evening (7:00 p.m. to 10:00 p.m.)	50 dBA	40 dBA
Night (10:00 p.m. to 6:00 a.m.)	45 dBA	40 dBA

For purposes of this section, a well is in the "producing phase" when hydrocarbons are being extracted or when the well is idled and not undergoing maintenance. It is presumed that a well is in the "drilling and maintenance phase" when not in the "producing phase."

n. Exceptions to Noise Standards – The noise standards established pursuant to Sec. 8175-5.7.8(m) shall not be exceeded unless covered under any of the following provisions:

1. Where the ambient noise levels (excluding the subject facility) exceed the applicable noise standards. In such cases, the maximum allowable noise levels shall not exceed the ambient noise levels plus 3 dB(A).
2. Where the owners/occupants of sensitive *uses* have signed a waiver pursuant to Sec. 8175-5.7.8(xw) indicating that they are aware that drilling and production operations could exceed the allowable noise standard and that they are willing to experience such noise levels. The applicable noise levels shall apply at all locations where the owners/occupants did not sign such a waiver.

o. Compliance with Noise Standard – When a permittee has been notified by the Planning Division that his operation is in violation of the applicable noise standard, the permittee shall correct the problem as soon as possible in coordination with the Planning Division. In the interim, operations may continue; however, the operator shall attempt to minimize the total noise generated at the site by limiting, whenever possible, such activities as the following:

1. hammering on pipe;
2. racking or making-up of pipe;
3. acceleration and deceleration of engines or motors;
4. drilling assembly rotational speeds that cause more noise than necessary and could reasonably be reduced by *use* of a slower rotational speed;
5. picking up or laying down drill pipe, casing, tubing or rods into or out of the drill hole.

If the noise problem has not been corrected by 7:00 p.m. of the following day, the offending operations, except for those deemed necessary for safety reasons by the *Planning Director* upon the advice of the **California Geologic Energy Management Division** shall be suspended until the problem is corrected.

- p. Preventive Noise Insulation – If drilling, redrilling, or maintenance operations, such as pulling pipe or pumps, are located within 1,600 feet of an occupied sensitive use, the work platform, engine base and draw works, crown block, power sources, pipe rack, and other probable noise sources associated with a drilling or maintenance operation shall be enclosed with soundproofing sufficient to ensure that expected noise levels do not exceed the noise limits applicable to the permit. Such soundproofing shall be installed prior to the commencement of drilling or maintenance activities, and shall include any or all of the following: acoustical blanket, coverings, soundwalls, or other soundproofing materials or methods that ensure that operations meet the applicable noise standard. The requirements may be waived by the Planning Commission if the permittee can demonstrate that the applicable noise standard can be met or that all applicable parties within the prescribed distance have signed a waiver pursuant to Section 8175-5.7.8(xw).
- q. Waiver of Preventative Noise Insulation – The applicant may have a noise study prepared by a qualified acoustical consultant, approved by the County. If the findings of the study conclude that the proposed project will meet the County Noise standards contained in Sec. 8175-5.7.8(m) and do not constitute a nuisance, then the soundproofing requirement may be waived. If the findings show a noise level will be generated above and beyond the County standards, then soundproofing must be installed sufficient to meet the applicable noise standard. Where a waiver pursuant to Sec. 8175- 5.7.8(xw) is signed, no preventative noise insulation will be required.
- r. Soundproofing Material – All acoustical blankets or panels used for required soundproofing shall be of fireproof materials and shall comply with California Industrial Safety Standards and shall be approved by the Ventura County Fire Protection District prior to installation.
- s. Hours of Well Maintenance – All non-emergency maintenance of a well, such as the pulling of pipe and replacement of pumps, shall be limited to the hours of 7:00 a.m. to 7:00 p.m. of the same day if the well site is located within 3,000 feet of an occupied residence. This requirement may be waived by the *Planning Director* if the permittee can demonstrate that the applicable noise standards can be met or that all applicable parties within the prescribed distance have signed a waiver pursuant to Sec. 8175- 5.7.8(xw).

- t. Limited Drilling Hours – All drilling activities shall be limited to the hours of 7:00 a.m. through 7:00 p.m. of the same day when they occur less than 800 feet from an occupied sensitive use. Night time drilling shall be permitted if it can be demonstrated to the satisfaction of the *Planning Director* that the applicable noise standard can be met or that all applicable parties within the prescribed distance have signed a waiver pursuant to Sec. 8175-5.7.8(xw).
- u. Signs – Signs shall comply with Sec. 8175-5.13 and the development standards per Sec. 8175-5.13.10.7 Identification Signs Identification Signs, Oil and Gas Development.
- v. Fencing – All active well sites (except submersible pumps), sumps and/or drainage basins or any machinery in use or intended to be used at the well site or other associated facilities shall be securely fenced, if required, based on the *Planning Director's* determination that fencing is necessary due to the proximity of nearby businesses, residences, or other occupied sensitive uses. A single adequate fence that is compatible with surrounding area, may be used to enclose more than one oil well or well site and appurtenances. Location of fences shall be shown on a submitted plot plan and/or *landscape plan*, if required. Fences must meet all California Geologic Energy Management Division regulations.
- w. Screening and Landscaping – All oil and gas production areas shall be landscaped so as to screen production equipment in a manner consistent with the natural character of the area, if required, based on the *Planning Director's* determination that landscaping is necessary. Required landscaping shall be implemented in accordance with a landscape and irrigation plan to be approved by the *Planning Director* or his/her designee after consultation with the property owner. The *landscape plan* shall be consistent with Sec. 8178-8, Water Efficient Landscaping Requirements, or Coastal Area Plan policies, whichever are more restrictive. This *landscape plan* shall include, but not be limited to, measures for adequate screening of producing wells and permanent equipment from view of *public roads* or *dwellings*, revegetation of all cut and *fill* banks, and the restoration of disturbed areas of the site not directly related to oil and gas production. Low water usage landscaping and use of native plants shall be encouraged.
1. Landscaping and Above Ground Pipelines. Consideration shall also be given to above ground pipelines that are part of the project. Landscape maintenance shall be subject to periodic inspection by the County, in accordance with Sec. 8178-8.9 Landscape Documentation Package Approval and Inspections. The permittee shall be required to remedy any defects in landscape maintenance within 30 days of notification by the County.

## 2. Landscaping and Well Drill Pads

- a. If wells are brought into production, the site shall be landscaped so as to screen production equipment from view from neighboring residences in a manner consistent with the natural character of the area.
  - b. The landscaping associated with the wells shall also be intended to provide screening from glare that may result from on-site facilities (e.g., tanks, *buildings*, other).
  - c. The permittee shall not install production equipment until the *Planning Director* has approved the landscaping plan and a *Zoning Clearance* has been issued.
  - d. At the expense of the permittee, the County, or a County approved *landscape architect*, shall determine whether the visual impacts of the production facilities have been screened from view. The timing and schedule for subsequent review shall be determined prior to the issuance of a *Zoning Clearance* for the production facilities.
- x. Waivers – Where provisions exist for the waiver of an ordinance requirement, the waiver must be signed by the owner and all adult occupants of a *dwelling*, or in the case of other sensitive *uses*, by the owner of the *use* in question. Once a waiver is granted, the permittee is exempt from affected ordinance requirements for the life of the waiver. Unless otherwise stated by the signatory, a waiver signed pursuant to Sec. 8175-5.7.8.n.(2) shall also be considered a waiver applicable to Secs. 8175-5.7.8.p. and 8175-5.7.8.s. and t.
- y. Application of Sensitive Use Related Standards – The imposition of regulations on petroleum operations that are based on distances from occupied sensitive *uses* shall only apply to those occupied sensitive *uses* that were in existence at the time the permit for the subject oil operations was approved.
- z. Inspection, Enforcement and Compatibility Review – To ensure that adequate funds are available for the legitimate and anticipated costs incurred for monitoring and enforcement activities associated with new or modified oil and gas related Conditional Use Permits, the permittee shall deposit with the County funds, determined on a case by case basis, prior to the issuance of a *Zoning Clearance*. The funds shall also cover the costs for any other necessary inspections or the resolution of confirmed violations that may occur. One deposit may be made to cover all of the permittee's various permits. In addition, all new or modified Conditional Use Permits for oil and

gas related uses shall, at the discretion of the *Planning Director*, be conditioned to require a compatibility review on a periodic basis. The purpose of the review is to determine whether the permit, as conditioned, has remained consistent with its findings for approval and if there are grounds for proceeding with public hearings concerning modification, suspension, or revocation of the permit.

**Section 2  
Severability**

If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Ventura County Board of Supervisors hereby declares that it would have passed and adopted this ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

**Section 3**

This ordinance shall become effective and operative upon certification by the California Coastal Commission.

**PASSED AND ADOPTED** this \_\_\_ day of \_\_\_\_\_, 2023, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
CHAIR, BOARD OF SUPERVISORS

ATTEST:  
Sevet Johnson, PsyD  
Clerk of the Board of Supervisors,  
County of Ventura, State of California

By \_\_\_\_\_

Deputy Clerk of the Board

DRAFT