RESOLUTION NO. 2013 - 7

A RESOLUTION AMENDING AND REPLACING IN ITS ENTIRETY RESOLUTION NO. 2013-03 OF THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY, PENNSYLVANIA, PROVIDING FOR THE REGULATION OF GEOPHYSICAL/SEISMIC TESTING AND APPLICATION FOR PERMISSION TO CONDUCT SEISMIC TESTING WITHIN HOPEWELL TOWNSHIP

WHEREAS, recently the use of energy source operations in connection with oil and gas surveying and exploration activities in Hopewell Township has become a health, safety and welfare concern for residents and businesses; and

WHEREAS, in order to address energy source operations in connection with oil and gas and geological surveying and exploration activities, and in order to provide for the safety of Township residents, businesses, personal property and real property, the Township desires to establish application procedures for such operations in order to ensure the health, safety and welfare of its residents; and

WHEREAS, this Resolution repeals and replaces in it's entirety Resolution No. 2013-03 and will serve to effectuate Township Ordinance No.2011-04, Section 8, g(14) which requires Township approval for seismic testing within the Township.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Hopewell Township, Beaver County, Pennsylvania, and the authority of the same as follows:

Section 1. Definitions

"Applicant" Shall mean any person, entity, business or corporation seeking to perform Energy Source Operations within the municipal boundaries of Hopewell Township

"Energy Source Operations" Shall mean those operations that involve the transmittal of seismic waves to model the geophysical properties of the Earth's crust.

"Municipal Authority" Shall mean any water or sewer authority providing said service to areas within the municipal boundaries of the Township.

"Township" Shall mean the Township of Hopewell, Beaver County, Pennsylvania.

Section 2. Permit required.

It shall be unlawful for any person, entity, business or corporation to conduct any surveying/exploration activities within the Township pertaining to oil, gas, and/or other geologic materials by the use of energy source operations, including without limitation drilling shot holes, weight drops, explosives, and/or vibrating machines, vibroseis equipment, thumper trucks or any other vehicles or equipment that cause vibrations, without first obtaining a permit therefore from the Township.

Section 3. Permit application; fee procedure.

Application for a permit hereunder shall be made with the Hopewell Township Zoning Officer or Township Engineer. Such application shall contain the following information: (1) name of the applicant; (2) address of the applicant; (3) type of explosives or other geophysical methods of mineral exploration to be used; and the purposes therefore; (4) a pre-plot map designating a testing area and showing the location of all proposed locations points of use and the energy source to be used at each point; (5) a traffic control plan for any operations or testing that will impede or redirect traffic on a public right-of-way; (6) the applicant's insurance information, including the name of applicant's insurance carrier, the types and amount of insurance covering its proposed operations, the name and telephone number of an individual to contact in case of a claim for personal injury or property damage, and the procedure for obtaining a copy of applicant's certificate of insurance; (7) proof of the right or license to handle explosives in the Commonwealth of Pennsylvania prior to commencement of drilling operations; and (8) other pertinent information as required herein. The application shall be accompanied by a nonrefundable permit fee calculated at one dollar (\$1.00) per acre of land designated within the testing area for reviewing and processing the application and preparing the permit and monitoring the work payable at \$500.00 upon submission of the application with the balance due within five (5) business days of approval of the application. Upon approval by the Township and prior to any proposed vibroseis work on approved Township roads, the Township Engineer shall provide a map identifying all Township infrastructure that shall be mitigated by the applicant. The Township Engineer shall prepare a report showing all Township facilities or infrastructure that may be negatively affected by the proposed activity located in the testing area shown in such application. Such report and the application shall then be submitted to the Commissioners with the recommendations of the Zoning Officer and/or Township Engineer. The Board of Commissioners will act on the applicant's request at the next public meeting if the Board has the report at least fifteen (15) days before the meeting. If not, the Board will consider the applicant's request at the following public meeting. No permit shall be issued except upon approval of the Township Commissioners. Failure to pay the fee as set forth herein shall invalidate the permit and approval issued by the Township.

Section 4. Term of permit.

The term of a permit issued under this article shall be for one (1) year beginning on the date of approval of the permit by the Board of Commissioners, and all energy source operations shall be completed within said term. The applicant shall notify the Zoning Officer, Township Manager or Township Engineer a minimum of three (3) business days in advance of the actual commencement

of energy source operations. Once operations have commenced, in the event applicant is rendered unable, wholly or in part, by circumstances beyond the applicant's control, to complete operations within the remaining term of the permit, then the time for completion may be extended, at the sole discretion of the Township, for a period of time not to exceed six (6) months, upon written request by the applicant setting forth fully the particulars of the circumstances causing the delay which were not within the control of the applicant and which the applicant could not have avoided by the exercise of due diligence and care.

Section 5. Operations in general.

- (a) All geophysical operations shall be limited to the areas approved by Township Board of Commissioners and depicted on the map submitted by the applicant and kept at the Township building. After the applicant and Township Engineer have collaborated and prior to commencement of any operations, said map shall be furnished to the Township. A copy of such map shall be attached to any permit issued by the Township. If, during the course of operations, any utility line must be relocated to maintain compliance with the terms and conditions set forth herein or to ensure the safety of the general population, the applicant shall notify the Township Manager or his designee at least three (3) business days prior to embarking on such relocation, which shall be performed in compliance with Township/Municipal Authority standards and at no cost to the Township or respective utility company or Authority.
- (b) The applicant shall employ a Project Manager specializing in seismology. The applicant shall provide the Township with the complete resume of the Project Manager detailing his/her experience and education in seismic operations, years and types of work in the field of seismic operations and identifying all previous seismic operations overseen by the Project Manager. Said Project Manager shall be on the job site during the entire period of testing to mitigate any potential damage to public or private property. The applicant shall also designate a point of contact who will respond within twenty-four (24) hours to any request from the Township Manager or his designee for information regarding the applicant's testing operations, including a request for maps of the testing area that show the points of use as planned by the applicant at the time of the request.
- (c) The applicant shall obtain written permission, as required by law, from property owners before entering upon or crossing their property. Energy source operations shall not be conducted on private or public property without the express written permission of the owner(s) of said property.
- (d) The applicant shall be responsible for and shall settle all reasonable and legitimate claims, demands, and causes of action relating to property or persons arising out of or as a result of the applicant's operations under this permit and shall handle all such claims in a fair, reasonable and expedient manner.
- (e) The applicant must perform a PA One Call for any drilling or excavating activities within the Township. All applicable Commonwealth and Federal permits and/or licenses pertaining to the

operations shall be supplied to the Township upon request.

Section 6. Notice Required.

- (a) The applicant shall notify each owner of property, in writing by U.S. mail or personal delivery at the property, within four hundred (400) feet of its planned energy source operations or one hundred twenty-five (125) feet of vibroseis or weight drop tests, a minimum of ten (10) working days prior to the conducting of any test. Said notice shall also include the anticipated start date of energy source operations and the energy source planned to be used. The applicant will offer to provide and will provide if requested, to such owner, in writing, the insurance information required by section 3 to be included in its application.
- (b) The applicant shall place newspaper advertisements in the newspaper of general circulation in the Township of not less than three (3) inches by four (4) inches explaining the work to be performed, the location of the proposed work, and a local telephone number where residents may call for more information. Said advertisement shall be placed one (1) time not less than seven (7) days immediately before actual operations commence in the testing area. The local telephone number provided by the applicant shall be answered during hours of operation as set forth in section 8 while work is ongoing in the Township, and an answering machine shall be installed to receive after-hour calls.

Section 7. Energy level restrictions.

- (a) The applicant shall engineer all source locations (explosive charge size and depth, and vibrator source sweep frequency and drive levels or other geophysical sources) so that no structure, subject to limitations contained in subsection 10(d) herein, shall be subject to any peak particle velocity greater than thirty five hundredths inch per second. The applicant shall conduct all the necessary tests on property located within a one-hundred-mile radius from the Township and containing soils similar to that at the planned locations of the geophysical operations, and shall provide all reports to the Township in an appropriate format for evaluation by the Township from a geologist registered in the Commonwealth of Pennsylvania. All reports submitted by the applicant shall be signed and sealed by the Project Manager.
- (b) The applicant shall obtain location maps for all water wells, underground hazardous waste storage/disposal sites, and water, sewer, oil, gas and chemical pipelines located in the testing area and conduct all energy source operations in a manner so as to not damage, interrupt, or otherwise interfere with said structures. Information obtained by the applicant shall be used by the surveying teams and operations manager to ensure compliance with the terms and conditions of this permit and that safe operating distances are maintained. If requested by the applicant, the Township shall make available for inspection and copying, maps, if any, prepared by or on behalf of the Township that indicate subsurface structures or facilities; provided, however that the applicant's reliance on any information furnished by the Township, its agents, representatives, and employees, whether written or verbal, shall be at the sole risk of the applicant with the following agreed upon disclaimer:

APPLICANT ACKNOWLEDGES THAT THE TOWNSHIP HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF INFORMATION REGARDING SUBSURFACE STRUCTURES AND FACILITIES FURNISHED TO APPLICANT AND MAKES NO REPRESENTATION OR WARRANTIES AS TO THE ACCURACY OR

COMPLETENESS OF SUCH INFORMATION. APPLICANT EXPRESSLY ACKNOWLEDGES THAT THE TOWNSHIP MAKES NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF FITNESS FOR A PARTICULAR USE OR PURPOSE OF SUCH SUBSURFACE INFORMATION.

(c) All Township and applicable municipal authority (water and sewage) owned structures, buildings, waste water treatment facilities, pump stations, including but not limited to susceptible underground utilities (water mains, sewer mains, etc.) shall have pre- and post-testing inspections paid for by the applicant. The Township shall have the option of receiving reimbursement of its actual cost of performing said inspections or having the inspections done by a third-party firm approved by the Township and hired by the applicant. Any reimbursement provided by this section shall be paid to the Township within thirty (30) days following the applicant's receipt of an invoice from the Township.

Section 8. Hours of operation.

Energy source testing may be conducted from 8:00 a.m. until the earlier of sunset or 7:00 p.m. local time, on Mondays through Fridays, and from 9:00 a.m. until the earlier of sunset or 7:00 p.m. local time on Saturday.

Section 9. Lands, streets, rights-of-way, and easements.

- (a) The applicant shall restore, at its own cost, Township owned lands, roadways or rights-of-way used in its operations to the original condition just prior to the testing operations, free of damage, including ruts or any injury to landscaping. An excess maintenance agreement may, at the sole discretion of the Township, be required for any such testing operations. The applicant shall restore, at its own cost, municipal authority owned infrastructure including water and sewer lines, structures, facilities and related appurtenances.
- (b) The applicant shall ensure that its operations will not interfere with the free and safe flow of traffic. When operations are immediately adjacent to the pavement, all equipment shall be parked and/or operated in one (1) lane of traffic.
- (c) The applicant shall notify the Township Manager of any equipment to be operated on Township streets that will exceed the maximum posted weight limit or Ten (10) tons, whichever is greater, and obtain any special permitting required.
- (d) Cables placed on the pavement within rights-of-way must be arranged so they do not create a hazardous condition or rumble strip effect. All cables must be securely anchored to the roadway with materials that will not damage and/or puncture the pavement. Nails, 'spikes, and similar materials used for anchors shall not be placed inside the pavement edge.
- (e) Each testing crew performing work that impedes the flow of traffic, such as testing on Township streets or rights-of-way, shall furnish at the cost of the applicant adequate signs, barricades, flares, flagmen, etc., as necessary, to protect the traveling public along with the traffic control plan referenced in Section 3.

Section 10. Testing.

(a) The applicant shall furnish to the Township's Manager, or his designee, a schedule of each

week's test plans. If thumper or vibroseis trucks are utilized on Township Roads, which will require permission of the Township, the Township Engineer shall inspect the road before and after testing. Applicant shall pay any and all costs incurred by the Township as a result of these inspections.

- (b) If approved by the Township, all thumper, vibroseis or weight drop operations shall be conducted a minimum distance of 150 feet from any building, which shall mean a structure built for the support, shelter, or enclosure of persons, chattel, or movable property of any kind and which is affixed to the land. No test charges shall be detonated within three hundred (300) feet of any building, water well, or underground hazardous waste storage/disposal site. Any such testing shall be constantly monitored by an approved third-party monitoring firm to ensure that the approved parameters are not exceeded with a written certification by said third-party provided to the Township upon completion of all testing that the parameters were not exceeded.
- (c) The applicant shall maintain and make available upon request to the Township, for a period of two (2) years, the daily log of energy source tests showing date, location, energy source used, drive level, operator, and all other related information including seismic and pre- and post-test survey.
- (d) No energy source operation shall subject any building intended for human habitation, utility line, water well, or underground hazardous waste storage/disposal site to a peak particle velocity greater than thirty five hundredths inch per second.
- (e) Explosives shall be transported in constantly attended Type-three magazines as defined by' section 1902.4.7 of the 1994 Standard Fire Prevention Code. All vehicles transporting explosives will be placarded according to Regulation of Hazardous Materials 49 C.F.R. Only the necessary amount of explosives for each day's operations, during such period as the permit is in effect, shall be transported within the Township at any given time. No explosives shall be stored within the corporate Township limits, unless approved by the Township's Fire Chief. If such storage is approved, explosives must be stored in a locked and secure, constantly attended type-two magazine, as defined by section 1902.4.6 of the 1994 Standard Fire Prevention Code, at a single, isolated, and sparsely populated location.
- (f) The applicant shall notify the Township's Manager, or designee, within twenty four (24) hours after the occurrence of any violation of these permit requirements. The Township Zoning Officer is hereby authorized to issue "Stop Work Orders" for any violation of the provisions contained in this Resolution.

Section 11. Bond, insurance, and indemnity.

(a) The applicant shall submit to the Township a performance bond in the amount of two hundred fifty thousand dollars (\$250,000.00) from a surety authorized to do business in the state. The performance bond shall be valid until final inspection and release by the Township Engineer or for a period of one (1) year from the date of project completion. The bond shall provide, but not be limited to, the following condition: there shall be recoverable by the Township, jointly and severally from the principal and surety, any and all damages, loss or costs suffered by the Township in connection with the applicant's geophysical operations within the Township. The bond shall contain the following endorsement: "It is hereby understood and agreed that this bond may not be canceled by the surety company until sixty (60) days after receipt by the Township, by registered mail or written notice, of

such intent to cancel or not to renew." The rights reserved to the Township with respect to the bond are in addition to all other rights of the Township and no action, proceeding or exercise of a right with respect to such bond shall affect any other rights of the Township.

- (b) Prior to conducting any operations hereunder, the applicant and/or its contractors shall furnish a certificate of insurance to the Township showing the Township as an "additional insured" with respect to operations conducted within the Township and showing liability insurance coverage covering commercial, personal injury, and general liability in amounts not less than one million dollars (\$1,000,000.00) per person, three million dollars (\$3,000,000.00) per occurrence, and one million dollars (\$1,000,000.00) property damage and a ten million (\$10,000,000.00) dollar commercial umbrella policy.
- (c) The applicant shall protect, indemnify, defend and hold the Township, its officers, employees, agents, and representatives harmless from and against all claims, demands, and causes of action of every kind and character for injury to, or death of, any person or persons, damages, liabilities, losses, and/or expenses, occurring or in any way incident to, arising out of, or in connection with its or its contractors', agents', or representatives' operations under this permit, including attorneys' fees, and any other costs and expenses incurred by the Township in defending against any such claims, demands, and causes of action. Within thirty (30) days of receipt of same, the applicant shall notify the Township, in writing, of each claim for injuries to, or death or, persons or damages or losses to property occurring or in any way incident to, arising out of, or in connection with its or its contractors', agents', or representatives' operations conducted under this permit. At the Township's discretion, the Township may conduct an independent investigation, monitor, and review the processing of any such claim to ensure that such claim is handled as required herein.
- (d) Any permit granted hereunder may be revoked upon breach of any term or condition contained herein.
- (e) Notwithstanding anything contained herein to the contrary, any permit granted hereunder shall not be effective unless and until a copy of the permit, signed by an authorized officer of the Applicant, the performance bond, and the certificate of insurance have been filed with the Township Manager.

Section 12. Forms.

The following Application, which is attached hereto, marked respectively as Exhibit "A" and made part of this Resolution, is hereby approved:

APPLICATION FOR PERMIT TO CONDUCT SEISMIC TESTING/SURVEY

The proper Township officials are hereby directed to immediately commence using said application and permit.

Section 13. Solicitor's Permit.

Upon approval of the application by the Township, the Applicant shall apply for and obtain a Solicitor's Permit for each of its representatives involved in the work to be performed under the Permit to Conduct Seismic Testing/Survey in order to properly identify said

representative. The Solicitor's Permit shall coincide with the term for the Permit to Conduct Seismic Testing/Survey. A one time fee of \$500 shall be paid by the Applicant for the Solicitor's Permit and identification badges for its representatives.

Section 14. Penalties.

A person who knowingly violates any provision of this Resolution shall be deemed to have violated the provisions of Ordinance No. 2011-04 and will be subject to the penalties set forth therein. Each day of violation shall constitute a separate offense. Upon determination by the Township that any of the provisions of this Resolution have been violated, the Township may issue a "STOP WORK ORDER" by personally serving or mailing a copy of said ORDER to the applicant. Upon issuance of a STOP WORK ORDER, applicant shall immediately cease and desist from any further activity pursuant to the permit until the basis for the ORDER has been resolved with the Township.

Section 15. Effective Date.

The effective date of this Resolution shall be the 8th day of July 2013

RESOLVED this 8th day of July, 2013

Andy Brunette, Manager

Andy Brunette, Manager

Norm Kraus, Jr., President