15A NCAC 05H .XXX1 DEFINITIONS *(to be added to well construction section)*

(1) "Drilling block/unit" shall mean (To be defined by AOG)

(2) "High Occupancy building" shall mean any operating Public School, nursing facility, hospital, life care institutions, or correctional facility, provided that the facility or institution served 50 or more persons, or an operating child care center as defined in GS 110-86.

(3) "Occupied dwelling" shall mean a private residence, existing inhabited structure, or a public building that may be used as a place of assembly, education, entertainment, lodging, trade, manufacture, repair, storage, or occupancy by the public, including any outdoor recreational facility, national park, State Park as defined in GS 113-44.9, or historic property acquired by the State pursuant to GS 121-9 or listed in the North Carolina Historic Register of Historic Places pursuant to GS 121-4.1. This does not apply to a building or other structure that is incidental to agricultural use of the land on which the building or other structure is located unless the building or other structure is used as an occupied private dwelling or for retail trade.

(4) "Production facility" shall mean all storage, separation, treating, dehydration, artificial lift, power supply, compression, pumping, metering, monitoring, flowline, and other equipment directly associated with oil and gas wells.

(5) "Setback" shall mean the horizontal separation distance, in feet, between the surface location of well site features and adjacent land characteristics, such as, occupied dwellings, property boundaries, surface water bodies, road and utility rights-of-way, and water wells.

(6) "Tank Battery" shall mean a group of tanks that are connected to receive production fluids from a well or a producing lease. In the tank battery, the production fluid volume is measured prior to collection and transportation to a processing facility. Gas will be measured prior to flowing into the pipeline system.

15A NCAC 05H .XXX2 SETBACK DISTANCES

(A) The location for a new oil and gas well(s) on a wellpad, tank, tank battery, or the location of a new pit for use during oil and gas well operations shall meet the following minimum setback

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distances to minimize or mitigate potential adverse impacts to public health, public safety, the environment, and wildlife.

(B) The permittee shall ensure that the surface location of a new oil and gas well(s), tank(s), tank battery, or the location of a new pit(s) shall be located to comply with the following setback distances as measured from the wellhead, location of tank or tank battery, and edge of pit(s):

(1) for an occupied dwellings and high occupancy buildings: 500 feet unless the owner of the dwelling consents in writing, in accordance with section 4 below.

(3) from the edge a public road, highway, utility or a railroad track right-of-way, or other right-of-way: 100 feet;

(4) for a stream, river, watercourse, pond, lake, or other natural and artificial bodies of water: 100 feet and 300 feet for wetlands and trout streams; and

(5) for a public or private water supply well: 500 feet .

History Note: *Authority*
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15A NCAC 05H .XXX3 FACILITY SAFETY SETBACK DISTANCES

(A) The surface location of a new pit, tank, or tank battery shall not be within 75 feet of any other oil or gas wellhead.

(B) The surface location of a new fluid production tank shall not be within five feet (OH and CO minimum) of another fluid production tank.

(C) The surface location of a mechanical separator or compressor shall not be within any of the following:

(1) 50 feet of an oil and gas wellhead;

(2) 75 feet of a tank; and

(3) 500 feet of an occupied dwelling and high occupancy buildings.

(D) A vessel that is equipped in such a manner that the contents of the vessel may be heated shall not be within any of the following:

(1) 75 feet of a production tank;

(2) 75 feet of an oil and gas well;

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(3) 500 feet of an occupied dwelling and high occupancy buildings;

(4) If the contents of the vessel are heated by a direct fire heater, 50 feet of a mechanical separator; and

(5) 40 feet from a pump

History Note: *Authority*

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15A NCAC 05H .XXX4 WAIVER AND VARIANCE

(A) A permittee may obtain a surface use agreement from the landowner to decrease the setback distances for the wellheads, tank or tank battery, and pits from an occupied dwelling and property boundary if the owner of the land on which the occupied dwelling or property boundary is located consents in writing, in accordance with paragraph D below. The permittee cannot apply for a setback distance to be reduced for high occupancy buildings.

(B) The permittee may reduce the prescribed setback distances listed in Section .XXX2 of this rule to no less than following distances:

(1) the wellhead, tank or tank battery, and pits shall be no less than XX (OH- 100 ft) feet from the occupied dwelling

(C) The permittee may apply for a variance to reduce the required setback under section (2) for the setback of a wellhead, tank or tank battery, or a pit from a stream, river, watercourse, pond, lake, or other natural and artificial bodies of water. This variance must follow the variance procedure under the VARIANCE RULE.

(D) For purposes of (A) of this section, written consent of an owner of land may be provided by any of the following and shall be notarized and submitted at the time of application:

(1) A copy of an original lease agreement text that expressly provides for the reduction of the distance of the location of an oil and gas well, wellpad, tank battery, or pit, as applicable, from an occupied dwelling or a property line;

(2) A copy of a deed severing the oil or gas mineral rights, as applicable, from the owner's parcel of land as filed with the county Registrar of Deeds that expressly provides for the reduction of the distance of the location of an oil and gas well,

wellpad, tank battery, or pit, as applicable, from an occupied dwelling or a property line;

(3) A written surface use agreement signed by the property owner that consents to the proposed location of an oil and gas well, wellpad, tank, tank battery, or pit(s), as applicable, and that is approved by the Chairman or his designee from DENR staff. For purposes of (D)(3) of this section, a permittee shall submit a copy of a written statement to the Chairman or his designee from DENR staff.

History Note: *Authority*
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