

STATE OF TEXAS §
COUNTY OF DENTON §
TOWN OF BARTONVILLE §

The regular meeting of the Planning and Zoning Commission of the Town of Bartonville was held on December 2, 2009, at 7:00 p.m., in the Bartonville Town Hall. This was an OPEN MEETING, open to the public, subject to the open meeting laws of the State of Texas and, as required by law, was duly posted at on Wednesday, November 25, 2009, at 3:30 p.m., at Bartonville Town Hall giving notice of time, date, place, and agenda thereof.

Present:

Ralph Arment, Chairperson
Gloria McDonald, Vice Chairperson
Don Abernathy
Jim Langford

Absent:

Betty Medlock
Kathy Bradham, Alternate

Also present: Kristi Gilbert, Town Secretary
Gary Vickery, Town Engineer

This constituting a quorum, the following business took place:

Chairperson Ralph Arment called the meeting to order at 7:05 p.m.

The Commissioners considered the August 5, 2009, regular meeting minutes. Commissioner McDonald moved to approve the minutes as written. Commissioner Abernathy seconded the motion. For: Unanimous. The motion carried 4 to 0.

No one was signed in to speak.

The Commission considered recommendations to the Town Council regarding the proposed Rice Ranch Unit development plat. The plat indicates a total of seven wells on a single pad site located on the southeast corner of the Broome Road/Porter Road intersection approximately 450 feet south of Broome Road and 250 feet east of Porter Road and measures approximately 460' by 400'. The lease area is comprised of approximately 525.6097 acres. The proposed well site is located in the J. Burke Survey, Abstract No. 42, Town of Bartonville, Denton County, Texas. The applicant is Williams Production. The surface owner is Philip R. Rice and PR Production LLC.

Bobby Dollak with G&A Consultants spoke on behalf of the applicant Williams Production. Mr. Dollak stated that he had worked with Town Engineer Gary Vickery on the design and location of the driveway. Mr. Dollak stated that there were seven wells, 14 tanks and seven separators proposed on the site.

Call to Order

ACTION: Approve Minutes

Open Forum

Discussion: Rice Unit Development Plat

Mr. Dollak continued by stating that Williams was working with the Town of Flower Mound on constructing a centralized water and compression station.

Mr. Vickery stated that he recommended approval. Town Secretary Kristi Gilbert stated that the applicant had met all the requirements of the ordinance and staff recommended approval.

Commissioner Abernathy moved to recommend to the Town Council the approval of the proposed Rice Ranch Unit development plat. Commissioner Langford seconded the motion. For: Unanimous. The motion carried 4 to 0.

The Commission considered recommendations to the Town Council regarding the gas well drilling permit applications for the Rice Ranch Unit A 1H, 2H, 3H and 4H wells and the Rice Ranch Unit B 5H, 6H and 7H wells. The drilling permit applications are all located on the Rice Ranch pad site. The applicant is Williams Production. The surface owner is Philip R. Rice and PR Production LLC.

Ms. Gilbert stated that the applicant had met all of the requirements of the ordinance except the insurance rating requirements with regard to the \$10,000,000 umbrella policy. Ms. Gilbert stated that the insurance company that Williams is utilizing is currently rated "A-," while the other operators still have a rating of "A" or better. Ms. Gilbert continued by stating that a few of the insurance companies that are currently rated "A" also had a negative outlook according to the AM Best reports.

Marilyn Rhodes, representing Williams Production stated that they had operations all over and the company had over \$26 billion in assets with \$12 billion in annual revenue. Ms. Rhodes stated that Williams has never had a well blowout claim in the Barnett Shale. Ms. Rhodes continued to state that Williams could get "A" rated insurance for the Walling and Rice Ranch wells, however, it would burden those wells with a high insurance rate and once that was factored into the budget the wells would be uneconomical. Ms. Rhodes stated that at the corporate level, finding the insurance may be feasible, however, there would be a great deal of red tape.

Vice Commissioner McDonald moved to recommend to the Town Council the approval of the gas well drilling permits contingent upon meeting the insurance rating requirements of the ordinance. Commissioner Langford seconded the motion. For: Unanimous. The motion carried 4 to 0.

ACTION:
Approve Rice Ranch Unit Development Plat

Discussion: Rice Ranch Drilling Permits Unit A 1H-4H and Unit B 5H – 7H

ACTION: Approve Rice Ranch Drilling Permits Unit A 1H-4H and Unit B 5H – 7H

The Commission held discussions regarding a request by Williams Production Gulf Coast Company, L.P. to amend the text of the Town of Bartonville's Comprehensive Zoning Ordinance as it relates to the A.M Best rating for liability policies.

**Discussion:
Williams Request
to Amend Drilling
Regulations**

Ms. Gilbert stated that the applicant had requested that the Town amend the drilling regulations to state that an AM Best rating of "A-" or better is sufficient. Vice Chairperson McDonald stated that she had sought the advice of someone in the insurance industry who stated that decreasing the insurance to "A-" should not be a huge deal, however, the suggestion was made to remove the phrase "or with non-admitted carriers that have a financial rating comparable to carriers licenses to do business in Texas approved by the Town." No action was taken.

Gloria McDonald requested that the Commission review the drilling regulations.

**Future Agenda
Items**

There being no further business, Chairperson Arment adjourned the meeting at 7:45 p.m.

ADJOURNMENT

APPROVED this the 7th day of April, 2010.

Approved:

(Seal)

Ralph Arment, Chairperson

Attest:

Kristi Gilbert, Town Secretary, TRMC, CMC