CHAPTER 28

OIL AND GAS WELLS

ARTICLE I - OIL WELLS IN CITY

- **28-1-1 PERMIT REQUIRED.** It shall be unlawful for any person, partnership, association of persons, trust or corporation to drill or to commence to drill a well for oil or gas within the area of the City, described in words and figures in Schedule "A" attached hereto; the schedule being hereby expressly incorporated herein and made a part of this Chapter, or to work upon or assist in any way in the prosecution of the work upon any such well, without a permit for such well and for the prosecution of such work having first been issued by the authority of the City Council of the City, in accordance with the terms and provisions of this Chapter.
- **28-1-2 PERMITS PER DRILLING BLOCK.** Within the area of the City mentioned in **Section 28-1-1** of this Article, the issuance of permits shall be restricted and limited as provided in this Chapter, and for the purpose of restricting and limiting the number of permits to be issued under the provisions of this Chapter, the area mentioned in **Section 28-1-1** of this Chapter shall be and hereby is subdivided into **forty-seven (47) separate tracts**, each of which tracts shall be referred to in this Chapter as a "drilling block," and all of which drilling blocks are designated by a number and the boundaries thereof described in words and figures in a schedule attached hereto; the schedule being hereby expressly incorporated herein and made a part of this Chapter, and all provisions in this Chapter with respect to a drilling block of any particular number shall apply to the drilling block so numbered as described in the aforesaid Schedule "A".

28-1-3 PERMITTED WELLS: DRILLING BLOCKS.

- (A) Not more than **one (1) well** for oil or gas shall be drilled to and completed in any sand, stratum, or horizon productive of oil and/or gas in the following drilling block:
 - (1) Drilling block numbered 1;
- (B) Not more than **two (2) wells** for oil or gas shall be drilled to and completed in any sand, stratum, or horizon productive of oil and/or gas in any of the following drilling blocks:
 - (1) Drilling blocks numbered 2, 3, 4, 5, 6, 12, 13, 24, 25, 36, 37, 42 and 47;
- (C) Not more than **four (4) wells** for oil or gas shall be drilled to and completed in any sand, stratum, or horizon productive of oil and/or gas in any of the following drilling blocks:
 - (1) Drilling blocks numbered 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 38, 39, 40, 41, 43, 44, 45, and 46.
- **28-1-4 RESTRICTED PERMITS.** The issuance of permits for the drilling of wells in the various drilling blocks comprising the area mentioned in **Section 28-1-1** of this Chapter shall be restricted and limited in such manner and to the extent that not more than the maximum number of wells per drilling block as provided in **Section 28-1-3** of this Chapter shall be commenced or drilled in such drilling block. Nothing contained in this Chapter shall give any authority for the issuance of a permit for drilling of wells where the mining and extraction of minerals is otherwise prohibited by the Zoning Ordinances of the City, and any amendments thereto.
- **28-1-5 ROYALTY TO OWNERS.** In case a permit for the drilling of a well is issued to a person, partnership, association of persons, trust or corporation owning an oil and gas mining lease or leases, or similar drilling contract, covering the portion of the drilling block upon which the well is drilled, which lease or similar contract is hereafter referred to in this Section as the "drilling lease," but not covering the remaining portions of this drilling block, whether or not such permittee shall hold other

leases or similar drilling contracts covering other portions of the drilling block not included in the drilling lease, it shall be a condition of the permit that the permittee and his, its, or their heirs, executors, administrators, successors and assigns shall deliver, as royalty, to the credit of each such owners whose land shall not be under said drilling lease, free of cost, in the pipe line to which the well may be connected, a share of all oil provided by the drilling lease to be delivered to the credit of the lessor or lessors therein, in the proportion that the area of land so owned by such party, and not held under the drilling lease, bears to the total area contained in said drilling block, exclusive of streets and alleys, together with a like share, as royalty, of the sums provided by the drilling lease to be paid to the lessor or lessors by reason of the sale or utilization of gas and casinghead gas from the well, to the end that the owner or owners of each portion of land within the drilling block shall share the gross oil and gas royalties stipulated in the drilling lease in proportion to the respective fractional areas of the drilling block, exclusive of streets and alleys; provided, however, that in no event shall the quantity of oil to be delivered to the credit of, or the sums of money to be paid to such owner or owners whose land shall not be under the drilling lease, be calculated on the basis of smaller gross oil or gas royalties than one-eighth (1/8) of the oil produced and saved, one-eighth (1/8) of the market value at the well for gas from a well where gas only is found and used by the permittee off the premises, one-eighth (1/8) of the net proceeds derived from the sale of gas at the well for gas from a well where gas only is found and sold by the permittee; one eighth (1/8) of the market value of gas, as such, at the mouth of the well for gas produced from an oil well and utilized by the permittee for the manufacture of gasoline or any other product; and one-eighth (1/8) of the net proceeds of such gas if the same shall be sold; and in the event the drilling lease shall provide for lesser oil and gas royalties to be paid to the lessor or lessors therein than the royalties last above described, the additional quantity of oil to be delivered to the credit of, and the additional sums of money to be paid to, such other owner or owners whose land shall not be under the drilling lease shall be delivered and paid by the permittee from the oil or proceeds to which the permittee would otherwise be entitled under the terms of the drilling lease; provided, further, that if any of such owners contract with any other person, partnership, association of persons, trust, or corporation, for the division of the royalty interest in the oil or gas produced and saved from such owner's land with such other person, partnership, association of persons, trust or corporation, the benefits herein stipulated to be delivered to the credit of or paid to such owner shall be likewise distributed to the owner and to such other person, partnership, association of persons, trust or corporation and in the proportions stipulated in said contract; and provided, further, that upon the failure, neglect or refusal of the owner or owners of any portion of the land in the drilling block, which land is not covered by the drilling lease, to provide separate storage for his or their proportionate share of the oil, the permittee, and his, their, or its successors and assigns, shall have the right to purchase the share of the oil until such storage shall have been so provided, and in the event of such purchase, the permittee, or his, their, or its successors or assigns, shall pay to such owner or owners for the share the market price of oil of like grade and gravity prevailing in that field on the day such share is run into the pipe line or into storage.

ROYALTY ALLOCATIONS. In case the permit for the drilling of a well be issued to a person, partnership, association of persons, trust or corporation that is the fee owner of a portion of a drilling block, but that is not the fee owner of all of the land in the drilling block, it shall be a condition of the permit that the permittee, and his, their, or its heirs, executors, administrators, successors and assigns shall deliver, as royalty, to the credit of each of the other owners in said drilling block, free of cost, in the pipe line to which the well may be connected, a share of all oil produced and saved from such well equal to one-eighth (1/8) of the proportion of the gross production that the area of land owned by such other owner or owners bears to the total area of land in said drilling block, exclusive of streets and alleys, a like share of the market value at the well for gas from a well where gas only is found and used by the permittee off the premises, a like share of the net proceeds derived from the sale of gas at the well for gas from a well where gas only is found and sold by the permittee, a like share of the market value of gas, as such, at the mouth of the well for gas produced from an oil well and utilized by the permittee for the manufacture of gasoline or any other product, and a like share of the net proceeds of such gas if the same shall be sold; provided, that if any of such other owners contract with any person, partnership, association of persons, trust or corporation, the benefits herein stipulated to be delivered to the credit of, or paid to, such owner, shall be likewise distributed to said owner and to such other person, partnership, association of persons, trust or corporation in the proportions stipulated in said

contract; and provided further, that upon the failure, neglect or refusal of any such other owner or owners to provide separate storage for his or their said proportionate share of the oil, the permittee and his, their, or its successors and assigns shall have the right to purchase said share of the oil until such storage shall have been so provided, and in the event of such purchase, the permittee, or his, their or its successors, and assigns, shall pay to such other owner or owners for said share the market price of oil of like grade and gravity prevailing in that field on the day such share is run into the pipe lines or into storage.

- 28-1-7 **PERMITS; ISSUANCE OF.** In the event there are applications filed by more than one (1) applicant with the City Clerk and pending at the same time for permits to drill in the same drilling block, that application shall be first granted to the applicant holding the greatest area of land in the drilling block, by fee ownership, by lease or contract with the owner or owners permitting the drilling thereon for oil or gas, or by both fee ownership and lease or contract with other owners; that application shall be next granted to the applicant so holding the next greatest area of land in said drilling block; and in like manner applications shall be granted successively to applicants on the basis of the area of land so held by them; provided, however, that nothing contained in this Section shall be construed as authorizing or permitting the issuance of any permit when the applicant therefor shall have failed to comply with any other sections of this Chapter concerning the application for or the issuance of permits, and nothing contained in this Section shall be construed as authorizing or permitting the drilling of more wells per drilling block than the maximum number of wells for said drilling block as provided in Section 28-1-3 of this Chapter. In case a permit for the drilling of a well be issued to a person, partnership, association of persons, trust or corporation that does not own all of the drilling block with respect to which the permit is issued, or that does not hold a lease or other similar drilling contract in writing, from the owner or owners of all the land within said drilling block, other than streets and alleys, any owner of unleased land in the drilling block, and any person, partnership, association of persons, trust or corporation, other than the permittee, holding a valid oil and gas lease on land in the drilling block, shall have the right to share in the ownership and benefits of the well in the proportion that the area his or its land or lease in the drilling block bears to the area of said drilling block, exclusive of streets and alleys, provided, that within ten (10) days from the date of the issuance of such permit, he or it shall file with the City Clerk his or its election in writing to pay to the permittee, or his or its assigns, a like proportion of the total cost and expense of drilling, completing, equipping and operating the well, and within that time, as principal, shall make and file with the City Clerk a bond with a surety company authorized to do business in the State of Illinois, in an amount equal to that proportion of the estimated maximum cost of drilling, completing and equipping the well as set out in the application, that the area of land owned or held under lease by such principal bears to the whole area of the drilling block, exclusive of streets and alleys, conditioned that the principal will pay to the permittee, his or its assigns, such proportion of the total cost and expense of drilling, completing, equipping, and operating said well, from time to time, as required in the operations, such bond to be approved by the Mayor and held by the City Clerk for the benefit of all persons interested; provided, further, that if such election be made by the holder of a lease or similar contract, such holder's interest in said well shall be only a pro rata part of a leasehold interest, but if the election is made by the owner of unleased land in said drilling block, such owner shall have not only a pro rata part of the leasehold interest in the well, but shall also be entitled to receive the royalty benefits as provided for such owner in **Sections 28-1-5** and **28-1-6** of this Chapter.
- **28-1-8 PERMIT STREETS AND ALLEYS.** It shall be unlawful to drill any oil or gas well within any of the streets or alleys within the area mentioned in **Section 28-1-1** of this Chapter; and that it shall further be unlawful to block or encumber or close any of the streets or alleys in any drilling or production operations, except by a temporary special permit by permission of the City Council.
- **28-1-9** OIL WELL DRILLING APPLICATION DEPOSIT. Every application for a permit to drill an oil or gas well shall be in writing, signed by the applicant or some person duly authorized to sign the same in behalf of the applicant, and shall be filed with the City Clerk and be accompanied by a deposit of **Three Thousand Dollars (\$3,000.00)**, in cash and a duly executed

instrument in writing effective to assign to the City a 1/32 of 7/8 working interest as an overriding royalty, free and clear of all costs, in and to any oil or gas which might be produced from such well. The application shall state the drilling block where each proposed well is to be drilled, the depth of the proposed well, and shall contain a verified lump sum estimate of the approximate cost and expense incident to drilling, completing and equipping each such well. There shall be attached to the application a certified copy of each oil and gas lease or other drilling contract which the applicant may have with the owner or owners of land located in said drilling block, together with abstracts of title or certificates of title satisfactory to the City Council, to the end that the application will show what proportions and what part of the drilling block the applicant owns or holds under lease or similar contract from the owner or owners. The application shall be accompanied by a plat or map of the drilling block showing the exact location of each proposed well. The application shall also be accompanied by a bond duly executed by the applicant, as principal, and a surety company authorized to do business in the State of Illinois, for the benefit of the City and all persons, firms and corporations concerned, conditioned that if the permit be granted, the applicant, and his heirs, executors, administrators, successors and assigns, or its successors and assigns, will comply with the terms and conditions of this Chapter in the drilling and operations of each well, will pay to any owner or owners of land in the drilling block, on which the applicant shall not hold an oil and gas lease or drilling contract, or to the assignees of such owner or owners, the oil and gas royalties as provided in this Chapter, that the applicant will restore the streets and sidewalks and other public places of the City which may be disturbed in the operations to their former condition, and clear the drilling block of all derricks, buildings, machinery or litter, erected, used or accumulated in the applicant's drilling or producing operations, whenever such operations shall be discontinued, and that he, or it, will pay to the owners of any buildings, improvements, goods or chattels located in the drilling block any extra cost of insurance on such property actually incurred by such owners, by reason of the granting of the permit, or the operations carried on thereunder, and shall pay any and all damages suffered by any person, partnership, association of persons, trust or corporation as to property in the City from fire, over and above insurance collected thereon, or from oil, gas or water, when and only when such damages shall have been caused by or shall originate from the operations connected with the applicant's drilling, completion and operation of such well or wells, and will hold the City harmless from any and all liability growing out of the granting of such permit. Such bond shall be in the sum of Five Thousand Dollars (\$5,000.00), and the bond shall be approved by the Mayor and filed with the City Clerk.

The application shall also be accompanied by a policy, certificate, or other evidence of public liability insurance protecting applicant for a minimum of **Twenty-Five Thousand/Fifty Thousand Dollars** (\$25,000.00/\$50,000.00) for bodily injury and **Twenty-Five Thousand/Fifty Thousand Dollars** (\$25,000.00/\$50,000.00) for property damage caused by the drilling and operation of said well. (**Ord. No. 640; 09-10-56**)

28-1-10 TERMS OF PERMIT. The City Council shall have the power, and reserves the authority, to refuse any application for a permit where, by reason of the location of any proposed well and the character and value of the permanent improvements already erected on the drilling block in question, or adjacent thereto, and the use to which the land and surroundings are adapted for civic purposes, or for sanitary reasons, the drilling of an oil or gas well will be a serious disadvantage to the City and its inhabitants as a whole; provided, that when a permit shall be refused for any of these reasons, but not otherwise, the deposit of cash made with the application, as required by **Section 28-1-9**, shall be returned to the applicant. Except as hereinbefore provided, if an application be found by the City Council to comply in all respects with the terms of this Chapter, the City Clerk shall be directed to issue a permit for the drilling of the well or wells described in the application, but no single application shall be made for a permit covering more than **one (1) drilling block**. The permits, when so issued, shall specify the particular location of each well to be drilled, and it shall be unlawful for the permittee to drill elsewhere in the drilling block.

28-1-11 <u>DISTANCE FROM RESIDENCE, BUSINESS, HOSPITAL, NURSING HOME, ASSISTED LIVING FACILITY, AND/OR OTHER PUBLIC BUILDINGS.</u> It shall be unlawful to extract minerals or erect or use any oil or gas well, within the area mentioned in **Section 28-1-1** of this

Chapter, within **three hundred (300) feet** of a residence, business, hospital, nursing home, assisting living facility and/or other public building in the drilling or operations of any oil or gas well or any mine. **(Ord. No. 00-25; 09-11-00)**

- **LEASE REQUIRED FOR PERMIT.** No permit shall be granted or issued for the 28-1-12 drilling of a well, except upon land owned in fee by the applicant or held by the applicant under an oil and gas lease, or similar drilling contract, from the owner giving the owner's permission to drill said well; and when a permit shall have been issued, the same may be revoked by the City Council in so far as such permit applies to and concerns any well with respect to which drilling operations shall not have been commenced within one hundred twenty (120) days from the date of the issuance thereof, or in so far as the permit applies to and concerns any well the drilling operations of which, if commenced, shall have ceased for a period of one hundred twenty (120) days, provided, however, that such permit may not be so revoked due to such failure in commencing operations or due to such cessation when the same is occasioned by unavoidable accidents, casualties or delays over which the permittee has no control. Any permit may be revoked by the City Council in so far as the permit applies to or concerns any well from which production, if obtained, shall have ceased for a period of one hundred twenty (120) consecutive days; provided, however, that such permit may not be so revoked if such cessation of production is caused by any law, rule, regulation or order of any governmental body having jurisdiction in the premises, or if, during the said period of one hundred twenty (120) days, operations calculated to cause a renewal of such production are commenced and prosecuted with due diligence; and if such operations should result in the production of oil or gas, no cessation in production shall be deemed to have occurred within the meaning of this Section. In the event of the revocation of any permit with respect to any well or wells, it shall be unlawful thereafter to continue the drilling or operation of such well or wells without the issuance of another permit.
- **28-1-13 OWNER'S PERMISSION REQUIRED FOR DRILLING.** Neither this Chapter nor any permit issued hereunder, shall be interpreted to grant any right or license to the permittee to enter upon or occupy in any respect in the drilling or production operations, any land except by the written consent of the owner, nor shall it limit or prevent the right of any landowner to contract for any amount or percentage of royalty out of which the portion thereof applicable to his land shall be paid, or for damages, rights or privileges with respect to the land.
- **28-1-14 REMOVAL OF OIL, GAS AND WATER.** In operating under any permit issued under this Chapter, or any amendment thereto, all oil, gas, and water produced in or arising from the operations shall, subject to the provisions of **Section 28-1-11** of this Chapter, be piped or otherwise conveyed or removed from the area mentioned in **Section 28-1-1** of this Chapter, except such as may be disposed of by the ordinary use of slush ponds, and all excavations in, or use of, the streets and alleys in such operations shall be under the reasonable direction of the Street Commissioner of the City, and shall be conducted without unreasonable obstruction of the streets, and without expense or cost to the City.
- **28-1-15 PERMIT; TIME CONSTRAINTS.** No permit which shall be issued under this Chapter or under any amendment thereto, or any rights, privileges or franchise granted hereby or hereunder, shall exist longer than for a period of **twenty (20) years** from the date of the issuance of the permit; provided, however, that if, at the expiration of such period of time, any oil or gas well is then producing oil or gas in paying quantities, the permit issued with respect to such well shall continue in force during the period of such production.

28-1-16 PIPING FOR PRODUCTION. Upon the completion of any oil or gas well by any permittee, and which well, when completed, produces oil or gas, such permittee is hereby granted authority to lay and maintain all necessary pipes and pipe lines over, upon, or under the streets, alleys and public ways of the City, for the purpose of removing and transporting such oil or gas from such well, as herein provided; provided, however, that such pipes and pipe lines shall be laid in such a manner as not to obstruct travel upon the streets, alleys or public ways, and shall be covered or enclosed at all street intersections, and when the use thereof for such purposes has terminated, shall be removed by the permittee, his representatives, successors or assigns, and such streets, alleys or public ways shall be restored by the permittee to their former condition.

[Unless Otherwise Noted, This Article Ord. No. 450; 11-25-40)

ARTICLE II - LAKE BENTON

- **28-2-1 DRILLING PERMIT REQUIRED.** It shall be unlawful and an offense for any person, partnership, association of persons, trust, or corporation to drill or to commence to drill a well for oil or gas within the area of Lake Benton or the land owned or controlled by the City, adjacent to the shore line of Lake Benton described in words and figures in a schedule attached hereto; the schedule being hereby expressly incorporated herein and made a part of this Article, or to work upon or assist in any way in the prosecution of the work upon any such well, without a permit for such well and for the prosecution of such work having first been issued by the authority of the City Council, in accordance with the terms and provisions of this Article.
- **28-2-2 PERMITS RESTRICTED.** Within the area described in Schedule "B", the issuance of permits shall be restricted and limited as provided in this Article, and, for the purpose of restricting and limiting the number of permits to be issued under the provisions of this Article, the area mentioned in Schedule "B" shall be and is hereby subdivided into **thirty-two (32)** separate tracts, each of the tracts shall be referred to in this Article as a "drilling block," and all of which drilling blocks are designated by a number and the boundaries thereof described in Schedule "B" attached hereto; the schedule being expressly incorporated herein and made a part of this Article, and all provisions in this Article, with respect to a drilling block of any particular number shall apply to the drilling block so numbered as described in Schedule "B".
- 28-2-3 <u>WELL LIMIT TO PARTICULAR STRATUM.</u> Not more than **one (1) well** for oil or gas shall be drilled to or completed in any sand, stratum, or horizon productive of oil or gas or oil and gas in any one of the drilling blocks mentioned as defined in **Section 28-2-2** of this Article and comprising the area mentioned in **Section 28-2-1** of this Article, provided, however, that if more than **one (1) well** shall be drilled outside the area mentioned in **Section 28-2-1** and within **four hundred (400) feet** of the boundary of any drilling block, **one (1)** additional well may be drilled in such drilling block to the sand, stratum, or horizon to which such well outside the area is drilled, which additional well shall be drilled at a location not more than **three hundred (300) feet** from the limit line of the area to offset the additional well or wells that shall be so drilled on the land situated outside the area.
- **28-2-4 MAXIMUM NUMBER PER DRILLING BLOCK.** The issuance of permits for the drilling of wells in the various drilling blocks comprising the area mentioned in **Section 28-2-1** of this Article shall be restricted and limited in such manner and to the extent that not more than the maximum number of wells per drilling block as provided in **Section 28-2-3** of this Article shall be commenced or drilled in such drilling block.
- **28-2-5 DRILLING PROHIBITED IN STREETS.** It shall be unlawful to drill any oil or gas well within any of the roadways, streets or alleys within the area mentioned in **Section 28-2-1** of this Article; and that it shall further be unlawful to block or encumber or close any of the roadways, streets or alleys in any drilling operations, except by temporary special permit by order of the City Council.
- **28-2-6 APPLICATION DEPOSIT.** Every application for a permit to drill a well shall be in writing, signed by the applicant or some person duly authorized to sign the same in behalf of the applicant, and shall be filed with the City Clerk and be accompanied by a deposit of **Three Thousand Dollars (\$3,000.00)**, in cash and a duly executed instrument in writing effective to assign to the City of Benton a 1/32 overriding royalty, free of all costs, in and to any oil or gas which might be produced from such well. The application shall state the drilling block and the location in the drilling block where such proposed well is to be drilled, and shall contain a verified lump sum estimate of the approximate cost and

expense incident to drilling, completing and equipping each such well. There shall be attached to the application a certified copy of each oil and gas lease or other drilling contract which the applicant may have with the owner or owners of land located in said drilling block, together with abstracts of title or certificates of title satisfactory to the City Council, to the end that the application will show what proportions and what part of the drilling block the applicant owns or holds under lease or similar contract from the owner or owners.

The application shall be accompanied by a plat or map of the drilling block showing the exact location of each proposed well. The application shall also be accompanied by a bond duly executed by the applicant, as principal, and a surety company authorized to do business in the State of Illinois, as surety, running to the City, for the benefit of the City and all persons, firms, and corporations concerned, conditioned that if the permit be granted, the applicant, and his heirs, executors, administrators, successors and assigns, or its successors and assigns, will comply with the terms and conditions of this Article in the drilling and operation of each well; that the applicant will restore the roadways, streets and sidewalks and other public places within the area mentioned in **Section 28-2-1** of this Article, which may be disturbed in the operations to their former condition, and clear the drilling block of all derricks, buildings, machinery, or litter, erected, used, or accumulated in the applicant's drilling or producing operations, whenever such operations shall be discontinued, and that he, or it will pay to the owners of any buildings, improvements, goods or chattels located in the drilling block, any extra cost of insurance on such property, actually incurred by such owners, by reason of the granting of the permit, or the operations carried on thereunder, and shall pay any and all damages suffered by any person, partnership, association of persons, trust or corporation as to property in the area from fire, over and above insurance collected thereon, or from oil, gas, or water, when and only when such damages shall have been caused by or shall originate from the operations connected with the applicant's drilling, completion and operation of such well or wells, and will hold the City harmless from any and all liability growing out of the granting of such permit. Such bond shall be in the sum of Ten Thousand Dollars (\$10,000.00) and the bond shall be approved by the Mayor and filed with the City Clerk; and shall be maintained in full force and effect as long as drilling operations are being conducted or oil or gas, or either of them, is being produced by the applicant from the well.

- **28-2-7 LOCATIONS PROHIBITED.** The City Council shall have the power, and reserves the authority, to refuse any application for a permit where, by reason of the location of any proposed well and the character and value of the permanent improvements already erected on the drilling block in question, or adjacent thereto, and the use to which the land and surroundings are adapted for civic purposes, or for sanitary reasons, the drilling of an oil or gas well will be a serious disadvantage to the City and the inhabitants of said area as a whole; provided, that when a permit shall be refused for any of these reasons, but not otherwise, the deposit of cash made with the application, as required by **Section 28-2-6** of this Article, shall be returned to the applicant.
- **28-2-8 ISSUANCE OF PERMIT BY COUNCIL.** Except as hereinbefore provided, if an application be found by the City Council to comply in all respects with the terms of this Article, the City Clerk shall be directed to issue a permit for the drilling of the well or wells described in the application, but no single application shall be made for a permit covering more than **one (1) drilling block**. The permits, when so issued, shall specify the particular location of each well to be drilled, and it shall be unlawful for the permittee to drill elsewhere in the drilling block.
- **28-2-9 FIRE EXTINGUISHERS.** It shall be unlawful to erect or use within the area mentioned in **Section 28-2-1** of this Article any drilling plant or rig unless the same shall be equipped with fire extinguishers which shall be maintained at all times in good order.
- **28-2-10 STORAGE FACILITIES.** No storage of oil or facilities therefor shall be kept, erected, or maintained within the area mentioned in **Section 28-2-1** of this Article, except to an extent not in excess of **five hundred (500) barrels** for each well and with a further exception of such

necessary flow tanks for each well not exceeding **seven hundred fifty (750) barrel** capacity, as are customarily used in drilling operations; provided, however, that no wooden tank shall be kept, erected, or maintained within said area.

- 28-2-11 **OWNERSHIP OF LAND FOR PERMIT.** No permit shall be granted or issued for the drilling of a well, except upon land owned in fee by the applicant or held by the applicant under an oil and gas lease, or similar drilling contract, from the owner giving the owner's permission to drill said well; and when a permit shall have been issued, the same shall terminate and become inoperative without any action on the part of the governing body of the City unless within sixty (60) days from the date of issue, actual drilling of the well shall have commenced and drilling shall be continued with due diligence in a good and workmanlike manner until said well shall have been completed; and the cessation of production of oil or gas from the well after production shall have commenced, shall operate to terminate and cancel the permit and the well shall be considered as abandoned for all purposes of this Article, and it shall be unlawful thereafter to continue the operation or drilling of such well without the issuance of another permit; provided, however, that such permit shall not terminate if such cessation of production is caused by any law, rule, regulation or order of any governmental body having jurisdiction in the premises, or if, during the said period of sixty (60) days, operations calculated to cause a renewal of such production are commenced and prosecuted with due diligence; and if such operations should result in the production of oil or gas, no cessation in production shall be deemed to have occurred within the meaning of this Section. In the event of the termination of any permit with respect to any well or wells, it shall be unlawful thereafter to continue the drilling or operation of such well or wells without the issuance of another permit.
- **28-2-12 PERMIT: PERSONAL PRIVILEGE.** A permit shall be purely a personal privilege and shall not constitute property, nor shall it be subject to attachment, garnishment, or execution, nor shall it be alienable, or transferable, voluntarily or involuntarily, or subject to being encumbered and hypothecated. Such permit shall not descend by the laws of testate or intestate devolution, but it shall cease upon the death of the permittee.
- **28-2-13 CONSENT OF OWNER REQUIRED.** Neither this Article, nor any permit issued hereunder, shall be interpreted to grant any right or license to the permittee to enter upon or occupy in any respect in the drilling or production operations, any land except by the written consent of the owner, nor shall it limit or prevent the free right of any land owner to contract for any amount or percentage of royalty out of which the portion thereof applicable to his land shall be paid, or for damages, rights or privileges with respect to said land.
- **28-2-14 TANKS FOR STORAGE.** In operating under any permit issued under this Article, or any amendment thereto, the permittee shall provide proper metal tanks for the circulation of mud and storage of salt water and oil, and no permittee shall use any earthen slush pit except upon express permission of the City Council.
- **28-2-15 SANITARY SEWER USE PROHIBITED.** In operating under any permit issued under this Article, or any amendment thereto, all oil, gas, and water produced in or arising from the operations shall be piped or otherwise conveyed or removed from the area mentioned in **Section 28-2-1** of this Article, except such as may be disposed of by ordinary use of slush pits, and no waste or sludge water shall be disposed of in any sanitary sewer. All slush pits constructed by the permittee shall be filled with dirt and the ground restored to its former level within **thirty (30) days** after the completion, as a dry hole or a producer, of the well in connection with which any such slush pit was constructed. All excavations in, or use of, the roadways, streets and alleys in such operations shall be

under the reasonable direction of the Commissioner of Public Affairs of the City and shall be conducted without unreasonable obstruction of the roadways, streets and alleys and without expense or cost to the City.

- **28-2-16 ACIDIZATION OF WELL.** Upon the acidization of any such well, notice of the time when such acidization will be done shall be given by the permittee to the Superintendent of the Water Department of the City, so that he may be present to direct the manner of disposition of the waste occasioned by such acidization.
- **28-2-17 TIME LIMIT ON WELL PERMIT.** No permit which shall be issued under this Article or under any amendment thereto, or any rights, privileges or franchise granted hereby or hereunder, shall exist longer than for a period of **twenty (20) years** from the date of issuance of the permit; provided, however, that if, at the expiration of such period of time, any oil or gas well is then producing oil or gas in paying quantities, the permit issued with respect to such well shall continue in force during the period of such production.
- **28-2-18 INSPECTION OF WELL SITE.** Any officer or employee of the City, designated for that purpose by the City Council, shall have the right and privilege at any time to enter upon the premises covered by any permit issued under this Article, for the purpose of making inspection to determine if the requirements of this Article or any other code of the City relating to the health and safety of persons and property within the area mentioned in **Section 28-2-1** of this Article are being complied with.
- **28-2-19 PIPE LINES.** Upon the completion of any oil or gas well of any permittee and which well, when completed, produces such oil or gas, such permittee is hereby granted authority to lay and maintain all necessary pipes and pipe lines in or under the roadways, streets, and alleys, within the area mentioned in **Section 28-1-1** of this Chapter, for the purpose of removing and transporting such oil or gas from such well as herein provided; provided, however, that any such pipe shall be encased in reinforced concrete or in some other substantial and durable pipe large enough to permit the removal of such pipe without disturbing the surface of any such roadways, streets or alleys; and provided, further, that such pipes and pipe lines shall be buried below plow depth and shall be laid in such a manner as not to interfere with the water system of the City or obstruct travel upon said roadways, streets, and alleys, and shall be covered or enclosed at all street intersections, and, when the use thereof for such purpose has terminated, shall be removed by the permittee, his representatives, successors, or assigns, and such roadways, streets, and alleys shall be restored by the permittee to their former condition.
- **28-2-20 PUMPING EQUIPMENT.** Upon the completion of any oil or gas well by any permittee, and which well, when completed, produces oil or gas and is placed upon pump, every such pump shall be enclosed on all sides with a good and sufficient fence of sufficient height to prevent animals, children, or any persons from coming into contact with such pump, and such fence shall be maintained in good repair as long as said pump remains upon the location of such well.
- **28-2-21 ELECTRIC PUMP REQUIRED.** Upon the completion of any oil or gas well by any permittee, and which well, when completed, produces oil or gas and is placed on pump, such pump or pumps shall be operated by electricity and it shall be unlawful to operate any such pump or pumps with oil or other fuel.

- **28-2-22 POSTING OF PERMITS.** It shall be unlawful for any person to commence any well for oil or gas within any of the drilling blocks until the permits issued by the City and by the Department of Mines and Minerals of the State of Illinois, or legible photostatic copies of the same, are posted at the well site; and the permits or photostatic copies thereof shall be kept so posted until the completion of such well or abandonment and plugging thereof.
- **28-2-23 IDENTIFICATION SIGN.** Every producing well shall be identified by a sign in a conspicuous place near such well and such sign shall be of durable construction and the lettering there on shall be kept in a legible condition and shall be large enough to be read under normal conditions at a distance of **fifty (50) feet.** Each sign shall show the number of the well, the name of the lease, the name of the lessee, owner and operator and their legal addresses under the jurisdiction of the Courts of the State of Illinois, and the location by guarter-quarter section, Township, and range.
- **28-2-24 DIKES REQUIRED.** All drilling sites, pits, reserve pits, pumps and derricks shall be enclosed with earthen dikes of sufficient height and strength to divert surface drainage and to prevent, the escape of any spills of oil, salt water or other liquids.
- **28-2-25 CAPACITY OF RESERVOIR.** All lease tanks, stock tanks, pumps and oil storage tanks shall be protected by a firewall or dike, approved by the City Council, which wall shall form a reservoir having a capacity of **one and one-half (1-1/2) times** the capacity of the enclosed tank or tank battery. All emulsion containers shall be impounded in said reservoir. The dike shall be maintained and the reservoir surface kept free of oil, emulsions, tank bottoms, brine, fresh water, vegetation, or any inflammable material. Tank batteries shall be so located as not to be subject to surface drainage.
- **28-2-26 STORAGE OF OIL IN RESERVOIR UNLAWFUL.** It shall be unlawful to store or retain oil in earthen reservoirs or in open receptacles; provided, however, that in cases of emergency, the City Council may grant permission for temporary storage of oil in earthen reservoirs or in open receptacles.
- **28-2-27 BURN-OUT PITS PROHIBITED.** The construction or operation of any salt water pit or oil field refuse pit, commonly called a "burn-out pit," so that salt water, brine or oil field refuse or other waste liquids may escape therefrom in any manner, except by the evaporation of such salt water or brine or by the burning of such oil field waste or refuse, is hereby prohibited.
- **28-2-28 WELL DEBRIS PROHIBITED.** It shall be unlawful for any person, upon abandonment of any oil or gas well, to permit concrete bases, discarded machinery and materials, or debris to remain around such oil or gas well; to fail to fill any holes, cellars, slush pits or other excavations made in connection with any such well; or to fail to restore the surface of the lands surrounding any such well to their former condition as existed before the drilling of any such well.
- **28-2-29 UNPLUGGED WELL.** It shall be unlawful to permit any well drilled for oil, gas, salt water disposal or any other purpose in connection with the production of oil and gas, to remain unplugged, exceeding **thirty (30) days** after such well is no longer used for the purpose for which it was drilled, except with permission of the City Council for such reasonable extensions of time as may be necessary for the further development of the property.

- 28-2-30 <u>DAMAGE BY RESERVOIR CONTENTS.</u> It shall be unlawful to run oil, brine or salt water produced in the drilling for or the production of oil or gas into earthen reservoirs or ponds, except for such reasonable time and under such conditions as may be approved by the City Council; after which such brine, salt water, or oil must be returned to some underground formation or disposed of in such manner as may be approved by the City Council so that it cannot cause damage, imminent damage or surface waste; provided, that where earthen reservoirs are permitted, they shall be of a type so that the evaporation will care for the input, they shall be dug into the earth, shall be of sufficient depth to contain all such brine, salt water or oil so that the liquid level in the pit shall not be higher than the natural surrounding ground surface, and such earthen reservoirs shall be surrounded by an earthen dike of sufficient height and strength to divert surface drainage and to prevent the escape of any such impounded brine, salt water or oil.
- **28-2-31 POLLUTING WELL AREA.** It shall be unlawful to permit any brine, salt water, oil or other liquid substance within such earthen reservoirs to reach a level higher than the natural surrounding ground surface, to place pipes below the top of the walls of such reservoirs, to willfully cut any such wall, to permit any break in any such wall, to release any such impounded liquids, or to permit any of such liquids to escape from any such reservoirs.
- **28-2-32 STORAGE OF WASTES.** For impounding salt water and oil field wastes in conjunction with a subsurface disposal system, the installation of the following type of receptacle is permissible with the approval of the City Council:
- (A) Concrete pit, properly located and not subject to surface drainage, of adequate dimensions with floors and walls of minimum thickness of **six (6) inches** reinforced concrete pit to be water-proofed on the inside.
- (B) Steel tank in good condition buried in the ground surrounded by floor and walls of cement with a minimum thickness of **six (6) inches,** of adequate capacity, not subject to surface drainage, and the inside of steel tank to be corrosion-proofed.
- (C) Steel tank in good condition, of adequate capacity, resting on a concrete foundation of minimum thickness of **six (6) inches** on the ground surface, and the inside of steel tank to be corrosion-proofed.
- **28-2-33 NUISANCE DECLARED.** The violation of any provision of this Article, whereby any unsanitary condition is created is hereby declared to be a public nuisance.

[Unless Otherwise Noted, This Article, Ord. No. 528; 02-07-49]

ARTICLE III

FEES - LAKE BENTON: DRAINAGE

- **28-3-1 PERMIT TO DRILL.** It shall be unlawful for any person to drill or to commence to drill any well for oil or gas within any portion of Sections 19, 20, 21, 22, 27, 28, 29, 30, 32, and 33 of Township 5 South, Range 3 East of the Third Principal Meridian, in Franklin County, Illinois, without a permit for such well and for the prosecution of such work having first been issued by the authority of the City Council in accordance with the terms and provisions of this Article.
- **28-3-2 APPLICATION FOR PERMIT; FEE.** Every application for a permit to drill any oil or gas well shall be in writing, signed by the applicant or some person duly authorized to sign the same in behalf of the applicant, and shall be filed with the City Clerk, and shall state the proposed location where each proposed well is to be drilled.

A fee of **One Hundred Dollars (\$100.00)** shall be charged for such permit unless the location is upon lands owned by the City.

In addition to the other fees, all producers and operators of oil and gas leases within the area herein described, shall pay a monthly inspection fee, which fee shall be determined as follows, to-wit:

- (A) Twenty-Five Dollars (\$25.00) per month per well producing one hundred (100) barrels of oil per well per day or more;
- (B) **Twenty Dollars (\$20.00)** per month per well producing less than **one hundred (100) barrels** of oil per month per well per day.

This provision shall be applicable to all oil wells under the terms and provisions of this Article according to the stage in which each of said wells shall be at the time of the enactment of this provision.

- (C) To provide for inspection of all salt injection wells at the rate of **Twenty Dollars** (\$20.00) per month per well. (See Ord. No. 1122; 07-11-83)
- **28-3-3 POSTING OF PERMITS.** It shall be unlawful for any person to commence any well for oil or gas within any portion of the sections until the permits issued by the City and by the Department of Mines and Minerals of the State of Illinois, or legible photostatic copies of the same, are posted at the well site; and said permits or photostatic copies thereof shall be kept so posted until the completion of such well or abandonment and plugging thereof.
- **28-3-4 SIGN POSTING.** Every producing well shall be identified by a sign in a conspicuous place near such well and such sign shall be of durable construction and the lettering thereon shall be kept in a legible condition and shall be large enough to be read under normal conditions at a distance of **fifty (50) feet.** Each sign shall show the number of the well, the name of the lease, the name of the lessee, owner, or operator and their legal addresses under the jurisdiction of the Courts of the State of Illinois, and the location by quarter-quarter section, Township, and range.
- **28-3-5 DIKES TO PROTECT.** All drilling sites, pits, reserve pits and derricks shall be enclosed with earthen dikes of sufficient height and strength to divert surface drainage and to prevent the escape of any spills of oil, salt water or other liquids.
- **28-3-6 DIKE CAPACITY.** All lease tanks, stock tanks, and oil storage tanks shall be protected by a firewall or dike, approved by the Department of Public Affairs of the City, which wall shall form a reservoir having a capacity **one and one-half (1-1/2) times** the capacity of the enclosed tank or tank battery. All emulsion containers shall be impounded in said reservoir. The dike shall be maintained and the reservoir surface kept free of oil, emulsions, tank bottoms, brine, fresh water, vegetation, or any inflammable material. Tank batteries shall be so located as not to be subject to surface drainage.

- **28-3-7 STORAGE OF OIL PROHIBITED.** It shall be unlawful to store or retain oil in earthen reservoirs or in open receptacles; provided, however, that in cases of emergency, the Department of Public Affairs may grant permission for temporary storage of oil in earthen reservoirs or in open receptacles.
- **28-3-8 BURN-OUT PITS.** The construction or operation of any salt water pit or oil field refuse pit, commonly called a "burn-out pit," so that salt water, brine or oil field refuse or other waste liquids may escape therefrom in any manner, except by the evaporation of such salt water or brine or by the burning of such oil field waste or refuse, is hereby prohibited.
- **28-3-9 WELL DEBRIS PROHIBITED.** It shall be unlawful for any person, upon abandonment of any oil or gas well, to permit concrete bases, discarded machinery and materials, or debris to remain around such oil or gas well; to fail to fill any holes, cellars, slush pits or other excavations made in connection with any such well, or to fail to restore the surface of the lands surrounding any such well to their former condition as existed before the drilling of any such well.
- **28-3-10 UNPLUGGED WELL PROHIBITED.** It shall be unlawful to permit any well drilled for oil, gas, salt water disposal or any other purpose in connection with the production of oil and gas, to remain unplugged, exceeding **thirty (30) days** after such well is no longer used for the purpose for which it was drilled, except with permission of the Department of Public Affairs for such reasonable extensions of time as may be necessary for the further development of the property.
- **28-3-11 APPROVAL OF STORAGE.** It shall be unlawful to run oil, brine or salt water produced in the drilling for or the production of oil or gas into earthen reservoirs or ponds, except for such reasonable time and under such conditions as may be approved by the Department of Public Affairs, after which such brine, salt water or oil must be returned to some underground formation or disposed of in such manner as may be approved by the Department of Public Affairs so that it cannot cause damage, imminent damage or surface waste; provided that where earthen reservoirs are permitted, they shall be of a type so that the evaporation will care for the input, they shall be dug into the earth, shall be of sufficient depth to contain all such brine, salt water, or oil so that the liquid level in the pit shall not be higher than the natural surrounding ground surface, and such earthen reservoirs shall be surrounded by an earthen dike of sufficient height and strength to divert surface drainage and to prevent the escape of any such impounded brine, salt water or oil.
- **28-3-12 POLLUTING WELL AREA.** It shall be unlawful to permit any brine, salt water, oil or other liquid substance within such earthen reservoirs to reach a level higher than the natural surrounding ground surface, to place pipes below the top of the walls of such reservoirs, to willfully cut any such wall, to permit any break in any such wall, to release any such impounded liquids, or to permit any of such liquids to escape from any such reservoirs.
- **28-3-13 STORAGE OF WASTES.** For impounding salt water and oil field wastes in conjunction with a subsurface disposal system, the installation of the following type of receptacle is permissible with the approval of the Department of Public Affairs:
- (A) Concrete pit, properly located and not subject to surface drainage, of adequate dimensions with floors and walls of minimum thickness of **six (6) inches** reinforced, concrete pit to be water-proofed on the inside.
- (B) Steel tank in good condition buried in the ground surrounded by floor and walls of cement with a minimum thickness of **six (6) inches,** of adequate capacity, not subject to surface drainage, and the inside of steel tank to be corrosion-proofed.

- (C) Steel tank in good condition, of adequate capacity, resting on a concrete foundation of minimum thickness of **six (6) inches** on the ground surface, and the inside of steel tank to be corrosion-proofed.
- **28-3-14 INSPECTION BY OFFICIALS.** The Department of Public Affairs, the Superintendent of the Water Department, or any police official, or other representative of the corporate authorities shall have the right of ingress and egress to and from all well locations at all times for inspection purposes.
- **28-3-15 NUISANCE DECLARED.** The violation of any provision of this Article, whereby any unsanitary condition is created, is hereby declared to be a public nuisance.

[Unless Otherwise Noted, This Article, Ord. No. 527; 01-15-49]

SCHEDULE "A"

Schedule of description of drilling blocks in the City of Benton, Illinois, referred to in the Chapter to which this Schedule is attached.

- BLOCK 1: All that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Eight (8), Six (6) South, Three (3) East, within the City limits.
- BLOCK 2: All that part of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Eight (8), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 3: All that part of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 4: All that part of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 5: All that part of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 6: All that part of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 7: All that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits lying East of the East line of Iowa Street in the City of Benton.
- BLOCK 8: All that part of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits
- BLOCK 9: All that part of the Northeast Quarter (NE 1/4) of Southwest Quarter (SW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 10: All that part of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 11: All that part of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 12: All that part of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 13: All that part of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 14: All that part of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 15: All that part of the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 16: All that part of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 17: All that part of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 18: All that part of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Seven (7), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 19: All that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Six (6), Six (6) South, Three (3) East, within the City Limits.

- BLOCK 20: All that part of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Six (6), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 21: All that part of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section Six (6), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 22: All that part of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 23: All that part of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 24: All that part of the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 25: All that part of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 26: All that part of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 27: All that part of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 28: All that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, within the City Limits.
- BLOCK 29: All that part of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East within the City Limits.
- BLOCK 30: The Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East.
- A tract described as: Beginning at the Northwest (NW) corner of the Northeast Quarter (NE 1/4) of BLOCK 31: the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South to the Southwest (SW) corner of said Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), thence East along the South line of said Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18) to the West line of Lot 16 of D. M. Parkhill's Addition; thence North along the West line of Lot No. 16 to the South line of Grayson Street; thence East along the South line of Grayson Street to the West line of North Main Street; thence South along the West line of Main Street to South line of the Northeast Ouarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section Eighteen (18), thence East to the Southeast (SE) corner of said Northeast Ouarter (NE 1/4) of the Northwest Ouarter (NW 1/4) of Section Eighteen (18); thence North to the South line of Hutson Place Addition; thence West to the Southwest (SW) corner of Lot No. 92 of Hutson Place Addition; thence North with the West line of Lots 92, 49 and 32 of said addition to the North line of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence West to the place of beginning.
- Beginning at the Southwest (SW) corner of the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence North to the South line of Hutson Place Addition, thence West to the Southwest corner of Lot No. 92 of Hutson Place Addition, thence North with the West line of Lots 92, 49 and 32 of said addition to the North line of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence East to the Northeast (NE) corner of the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of said Section Eighteen (18), thence South to the Southeast (SE) corner of the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of said Section Eighteen (18), thence West to the place of beginning.
- BLOCK 33: The Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East.

BLOCK 34: The Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East.

Beginning at the Northwest corner of the Southwest Quarter (SW 1/4) of the Northeast Quarter BLOCK 35: (NE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence East to the West line of the East Half (E 1/2) of the Northeast Quarter (NE 1/4) of said Section Eighteen (18), thence South to a point due East of Southeast corner of Lot 3, Block 6, J. M. Joplin's Fourth Addition; thence West along the South line of Lot 3, Block 6 and Lots 10 and 3 of Block of J. M. Joplin's Fourth Addition and continuing West along the South line of Lots 6 and 3 of Block "C" of J. M. Joplin's Third Addition and Lots 4, 5 and 6 of Block "C" of J. M. Joplin's Second Addition to the West line of Commercial Street, thence North to the Northeast corner of Lot No. 6 of Mattie Joplin's First Addition, thence West to the West line of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of said Section Eighteen (18), Six (6) South, Three (3) East, thence North to the point of beginning.

Beginning at the Northeast (NE) corner of the Southeast Quarter (SE 1/4) of the Northwest Quarter BLOCK 36: (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South to the North Line of Lot No. 6, Mattie Joplin's First Addition, thence East to the West line of Commercial Street, thence South to the Southeast (SE) corner of Lot No. 9 of Mattie Joplin's First Addition, thence West to the Southwest (SW) corner of Lot No. 9, Block No. 5, Fairview Addition, thence North along the East line of Jesse Street to the South Line of E. M. Reed's Second Addition, thence East to the Southeast (SE) corner of Lot No. 4, Block No. 2, of E. M. Reed's Second Addition, thence North to the North line of Carlton Street, thence West to the Southeast (SE) corner of Lot No. 6, Block No. 7, of Stotlar's Addition, thence North to the North line of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence East along the North line of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18) to the West line of lot No. 16, D. M. Parkhill's Addition, thence North to the South line of Grayson Street, thence East to the West line of North Main Street, thence South to the North line of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence East to the place of beginning.

BLOCK 37: Beginning at the Southwest (SW) corner of Lot No. 9, Block No. 5, Fairview Addition, thence North along the East line of Jesse Street to the South line of E. M. Reed's Second Addition, thence East to the Southeast (SE) corner of Lot No. 4, Block No. 2, E. M. Reed's Second Addition, thence North along the East line of said Lot No. 4 to the North line of Carlton Street, thence West to the Southeast (SE) corner of Lot No. 6, Block No. 7, Stotlar's Addition, thence North along the East line of Lot No. 6 to the North line of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence West to the Northwest (NW) corner of said Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), thence South to the Southwest (SW) corner of said Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), thence East to the place of beginning.

> Beginning at the Northwest (NW) corner of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence to the Northeast (NE) corner of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South along the East side of Jesse Street to the North line of Lot No. 3, Block "B", McFall's Fifth Addition, thence West to the Northwest (NW) corner of said Lot No. 3, thence South along the West side of McFall's Fifth Addition and the West side of McFall's Second Addition to the Southwest (SW) corner of Lot No. 10, Block "F", McFall's Second Addition, thence West along the North line of West Washington Street to the City Limits of Benton, thence North to a point due West of the point of beginning, thence East to the place of beginning.

Beginning at the Northeast (NE) corner of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, running thence South along the West line of J. M. Joplin's First Addition to the Southwest (SW) corner of Lot No. 10, said J. M. Joplin's First Addition, thence East along the South line of said Lot No. 10, to the Southeast (SE) corner thereof, thence South along the West line of Commercial Street to the North line of East Washington Street, thence West along the North line of East Washington Street, thence West along the North line of East Washington and the North line of West Washington Street to the Southwest (SW) corner of Lot No. 10, Block "F" of McFall's Second Addition, thence North along the West line of McFall's Second Addition and the West line of McFall's Fifth Addition to the Northwest (NW)

BLOCK 38:

BLOCK 39:

corner of Lot 3, Block "B" McFall's Fifth Addition, thence East to a point due South of the Southwest (SW) corner of W. W. McFall's Sixth Addition, thence North along the East line of Jesse Street to the Southwest (SW) corner of Lot No. 9, Block No. 5 of Fairview Addition, thence East to the place of beginning.

- BLOCK 40:
- Beginning at the Northwest (NW) corner of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence East along the South line of Lot No. 9 of Mattie Joplin's First Addition to the Southeast (SE) corner of said Lot No. 9, thence North to the Northeast (NE) corner of said Lot No. 9, thence East along the South line of Lots 6, 5 and 4, Block "C", J. M. Joplin's Second Addition and along the South line of Lots 3 and 6, J. M. Joplin's Third Addition and along the South line of Lots 3 and 10 of Block No. 1 and along the South line of Lots 3, Block 6, J. M. Joplin's Fourth Addition to the East line of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South along the East line of the West Half (W 1/2) of the East Half (E 1/2) of Section Eighteen (18), Six (6) South, Three (3) East to a point due East of the North line of East Washington Street, thence West along the North side of said East Washington Street to the West line of Commercial Street, thence in a northerly direction along the West line of Commercial Street to the Southeast corner of Lot No. 10 of J. M. Joplin's First Addition, thence West along the South line of said Lot No. 10 of J. M. Joplin's First Addition to the place of beginning.
- BLOCK 41:
- Beginning at the Northeast (NE) corner of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence West along the North line of McCreery and Ward's Addition to the West line of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South to the Southwest (SW) corner of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of said Section Eighteen (18), thence East to the Southeast (SE) corner of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence North to the place of beginning.
- BLOCK 42: Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East.
- BLOCK 43:
- Beginning at the Southwest (SW) corner of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence North along the West line of said Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18) to the North line of Church Street thence West along the North line of said Church Street to the Southeast (SE) corner of Lot No. 65 of the original town of Benton, thence North to the Southeast (SE) corner of Lot No. 1 of the original town of Benton, thence West along the North line of East Washington Street to the East line of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South along said East line to the South line of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence West along said South line of said Southeast Quarter (SE 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence West along said South line of beginning.
- BLOCK 44:
- Beginning at the Southeast (SE) corner of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, running thence North along the East line of said Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), to the North line of Church Street, thence West along the North line of said Church Street to the Southeast (SE) corner of Lot No. 65 of the original town of Benton, thence North to the Southeast (SE) corner of Lot No. 1 of the original town of Benton, thence West along the North line of Washington Street to the West line of said Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, thence South along said line to the Southwest (SW) corner of said Southeast Quarter (SE 1/4) of the Southwest Quarter (SE 1/4) of the Southw
- BLOCK 45:
- Beginning at the Southeast corner of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, running thence North to the North line of West Washington Street, thence West along said North line of West Washington Street to the City Limits, thence South along the City Limits line to a point due West of the Southwest

(SW) corner of said Section Eighteen (18), thence East along the South line of the Southwest Quarter (SW 1/4) of Section Eighteen (18), Six (6) South, Three (3) East, to the point of beginning.

- BLOCK 46: All that part of the North Half (N 1/2) of Section Thirteen (13), Six (6) South, Three (3) East, lying within the City Limits.
- BLOCK 47: All of Section Twelve (12), Six (6) South, Three (3) East, lying within the City Limits.
- BLOCK 48: All of the Southwest Quarter (SW 1/4) of Section Nineteen (19), Six (6) South, Three (3) East.
- BLOCK 49:

 All that tract bounded on the North by the North line of Section Nineteen (19), Six (6) South, Three (3) East and by an extension of said line to the West City Limits of Benton, on the East by the East line of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of said Section Nineteen (19), on the South by the South line of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of said Section Nineteen (19) and by an extension of said line to the West City Limits of Benton and on the West by the City Limits of Benton.
- BLOCK 50:

 Beginning at the Northwest (NW) corner of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, running thence South to the North line of Center Street, thence East to the East line of South Main Street, thence North to the Northwest corner of Block No. 6 of Joseph Huddleson's First Addition, thence East to the Southeast (SE) corner of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, thence North to the Northeast (NE) corner of the said Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, thence West to the place of beginning.
- BLOCK 51: The Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East.
- BLOCK 52: The Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East.
- BLOCK 53: The Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East.
- BLOCK 54: The Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East.
- BLOCK 55: Beginning at the center of Section Nineteen (19), thence West to the West line of the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section Nineteen (19), thence North to the North line of Center Street, thence East to the East line of South Main Street, thence North to the Northwest corner, Block No. 6, Joseph Huddleson's Addition, thence East to the half section line in Section Nineteen (19), thence South to beginning.
- BLOCK 56: Beginning at the Northeast (NE) corner of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, thence West to the City Limits, thence South to the corner in City Limits, thence East to the corner in City Limits, thence South to East and West half section line in Section Nineteen (19), Six (6) South, Three (3) East, thence East to the East line of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of said Section Nineteen (19), thence North to beginning.
- BLOCK 57: All that part of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, lying within the City Limits.
- BLOCK 58: All that part of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, lying within the City Limits.
- BLOCK 59: All that part of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, lying within the City Limits.
- BLOCK 60: All that part of the Southeast Quarter (SE 1/4) of Southeast Quarter (SE 1/4) of Section Nineteen (19), Six (6) South, Three (3) East, lying within the City Limits.

OIL AND GAS WELLS SCHEDULE "A"

BLOCK 61:	The Northwest Quarter (NW $1/4$) of the Northwest Quarter (NW $1/4$) of Section Twenty (20), Six (6) South, Three (3) East.
BLOCK 62:	All that tract bounded on the West by the West line of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Twenty (20) and the West line of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Six (6) South, Three (3) East, on the South by the South line of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section Twenty (20), on the East by the City Limits of Benton and on the North by the North line of the South Half (S 1/2) of Blocks 1, 2, and 3 of Park Ridge Addition.
BLOCK 63:	All that part of the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section Twenty (20), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 64:	The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Twenty (20), Six (6) South, Three (3) East.
BLOCK 65:	All that part of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section Twenty (20) Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 66:	All that part of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Twenty (20), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 67:	All that part of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section Twenty (20), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 68:	All that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Twenty (20), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 69:	All that part of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section Twenty-four (24), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 70:	All that part of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of Section Twenty-four (24), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 71:	All that part of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section Twenty-four (24), Six (6) South, Three (3) East, lying within the City Limits.
BLOCK 72:	All that part of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Twenty-four (24), Six (6) South, Three (3) East, lying within the City Limits.

SCHEDULE "B"

Schedule of Description of Drilling Blocks within the limits of Lake Benton and the marginal land owned or controlled by the City, adjacent to the Shore Line of the Lake, all of said drilling blocks being situated in Franklin County, Illinois.

- BLOCK 1: The Southeast Quarter (SE 1/4) of the Northwest (NW 1/4) of the Northwest Quarter (NW 1/4) of Section 32, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 2: The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section 32, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 3: All that part of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section 31, in Township 5 South, Range 3 East of the 3rd P.M. owned by the City of Benton, Illinois.
- BLOCK 4: The Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section 32, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 5: The Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section 32, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 6: The Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section 29, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 7: The Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section 29, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 8: The Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 9: The Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 10: The Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 11: The Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 12: All that part of the Northeast Half (NE 1/2) of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M. owned by the City of Benton, Illinois.
- BLOCK 13: The Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 14: The Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 15: The Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 16: The Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 30, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 17: The Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section 29, in Township 5 South, Range 3 East of the 3rd P.M.
- BLOCK 18: The Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section 29, in Township 5 South, Range 3 East of the 3rd P.M.

