

ORDINANCE NO. 102, 2026
OF THE COUNCIL OF THE CITY OF FORT COLLINS
WAIVING BASIC DEVELOPMENT REVIEW AND ASSOCIATED
DEVELOPMENT STANDARDS UNDER LAND USE CODE
SECTION 4.3.4(F)(6) TO FACILITATE THE LARIMER COUNTY-
LED PLUGGING AND ABANDONMENT OF ORPHANED OIL AND
GAS WELLS IN NORTHEAST FORT COLLINS

A. Ten oil and gas well locations formerly operated by Prospect Energy and used to extract oil and gas from the Fort Collins Field exist within the northeast portion of the city. Prospect Energy is no longer authorized to conduct oil and gas operations within Colorado and has left its oil and gas well locations, including the ten locations within the City and forty locations in unincorporated Larimer County (the "County"), shut in but unplugged. Prospect Energy is unwilling and unable to properly plug and abandon its oil and gas well locations and the Colorado Energy and Carbon Management Commission ("ECMC") considers these locations to be orphaned oil and gas wells.

B. The ECMC Orphan Well Program was established to address the statewide issue of orphaned oil and gas wells.

C. The County in collaboration with the City has obtained a \$5,200,000 grant ("Grant") to plug and remove the surface equipment at the 50 well sites formerly operated by Prospect Energy by July 2028, including the wells located within the City.

D. The City and County will continue to collaborate on the plugging and removal of surface equipment at the ten well sites within the City in connection with the grant funding.

E. Land Use Code ("LUC") Section 4.3.4(F)(6) adopted by Ordinance 151, 2022, sets forth requirements for the plugging and abandonment of oil and gas wells and pipelines and the decommissioning of oil and gas facilities. LUC Section 4.3.4(F)(6) created a process for the operator of an oil and gas well to undergo to ensure that an oil gas well is properly plugged and abandoned.

F. City Council is willing to waive the requirements of LUC Section 4.3.4(F)(6) regarding the plugging of the ten wells within the City for the following reasons:

1. The proposed plugging of the ten wells in the City pursuant to the Grant will occur under ECMC oversight and rules which address the underlying purpose of each requirement in LUC Section 4.3.4(F)(6) through a state supervised regulatory process rather than the City's development review process.
2. The Grant funding presents an opportunity to obtain funding to address the ten wells in the City and the forty wells in the County at the same time and in the immediate future when considered in light of the large number of orphan wells statewide eligible for such funding.

G. City Council finds that the waiver of LUC Section 4.3.4(F)(6) to the plugging of the ten wells within the city pursuant to the Grant to be in the best interests of the health, safety, and welfare of the residents of Fort Collins.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that City Council waives the application of LUC Section 4.3.4(F)(6) to the proposed plugging of the ten wells in the City pursuant to the Grant.

Introduced, considered favorably on first reading on July 21, 2026, and approved on second reading for final passage on August 18, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: August 28, 2026
Approving Attorney: Brad Yatabe

Exhibit: None