

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 13-0533.01 Thomas Morris x4218

HOUSE BILL 13-1269

HOUSE SPONSORSHIP

Foote, Court, Duran, Fields, Fischer, Ginal, Hamner, Hullinghorst, Kagan, Labuda, Lee, Levy, Melton, Mitsch Bush, Moreno, Pabon, Primavera, Ryden, Salazar, Schafer, Singer, Williams

SENATE SPONSORSHIP

Jones, Ulibarri, Kefalas

House Committees

Transportation & Energy

Senate Committees

State, Veterans, & Military Affairs

A BILL FOR AN ACT

101 **CONCERNING THE REDUCTION OF CONFLICTS OF INTEREST WITHIN THE**
102 **COLORADO OIL AND GAS CONSERVATION COMMISSION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Under current law, the Colorado oil and gas conservation commission:

! Has mandates to reduce waste and to foster the development of oil and gas resources in a manner consistent with the protection of public health, the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
3rd Reading Unamended
April 9, 2013

HOUSE
Amended 2nd Reading
April 8, 2013

environment, and wildlife resources; and
! Can include at least 3 commissioners who are employed by
the industry.

Section 1 of the bill amends the commission's mandate to ensure that the development of oil and gas resources protects public health, the environment, and wildlife resources. **Section 2** redefines "waste" to exclude reduced production that results from compliance with government regulation.

Section 3 prohibits a newly appointed commissioner from being an employee, officer, or director of an oil and gas operator or oil and gas service company while serving on the commission.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 34-60-102, **amend**
3 (1) (a) (I) and (1) (a) (IV) as follows:

4 **34-60-102. Legislative declaration.** (1) (a) It is declared to be in
5 the public interest to:

6 (I) ~~Foster~~ ENSURE THAT the responsible, balanced development,
7 production, and utilization of the natural resources of oil and gas in the
8 state of Colorado ~~in a manner consistent with protection of~~ PROTECTS
9 public health, safety, and welfare, including protection of the environment
10 and wildlife resources;

11 (IV) Plan and manage oil and gas operations in a manner that
12 ~~balances development with wildlife conservation in recognition of the~~
13 ~~state's obligation to protect~~ PROTECTS wildlife resources and the hunting,
14 fishing, and recreation traditions they support, which are an important
15 part of Colorado's economy and culture. Pursuant to section 33-1-101,
16 C.R.S., it is the policy of the state of Colorado that wildlife and their
17 environment are to be protected, preserved, enhanced, and managed for
18 the use, benefit, and enjoyment of the people of this state and its visitors.

19 ■ ■ ■

1 SECTION 2. In Colorado Revised Statutes, 34-60-104, amend
2 (2) (a) (I) as follows:

3 34-60-104. Oil and gas conservation commission - report -
4 publication. (2) (a) (I) Effective July 1, 2007 2014, the commission shall
5 consist CONSISTS of nine members, seven of whom shall be appointed by
6 the governor with the consent of the senate and two of whom, the
7 executive director of the department of natural resources and the
8 executive director of the department of public health and environment,
9 shall be ARE ex officio voting members. At least two members shall be
10 appointed from west of the continental divide, and, to the extent possible,
11 consistent with this paragraph (a), the other members shall be appointed
12 taking into account the need for geographical representation of other
13 areas of the state with high levels of oil and gas activity or employment.
14 Three members shall MUST be individuals with substantial experience in
15 the oil and gas industry and at least two of said THESE three members
16 shall MUST have a college degree in petroleum geology or petroleum
17 engineering; one member shall MUST be a local government official; one
18 member shall MUST have formal training or substantial experience in
19 environmental or wildlife protection; one member shall MUST have formal
20 training or substantial experience in soil conservation or reclamation; and
21 one member shall MUST be actively engaged in agricultural production
22 and also be a royalty owner. Excluding the executive directors from
23 consideration, no more than four members of the commission shall MAY
24 be members of the same political party AND NONE OF THE MEMBERS
25 APPOINTED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (I),
26 AS AMENDED, MAY BE AN EMPLOYEE, OFFICER, OR DIRECTOR OF AN
27 OPERATOR OR OIL AND GAS SERVICE COMPANY WHILE SERVING ON THE

1 COMMISSION.

2 **SECTION 3.** In Colorado Revised Statutes, 34-60-117, **add** (5)
3 as follows:

4 **34-60-117. Prevention of waste - protection of correlative**
5 **rights.** (5) THE PREVENTION OF WASTE AND THE PROTECTION OF
6 CORRELATIVE RIGHTS DOES NOT SUPERSEDE REGULATION BY THE
7 COMMISSION OF THE IMPACTS OF OIL AND GAS EXPLORATION OR
8 PRODUCTION ON PUBLIC HEALTH, SAFETY, AND WELFARE OR THE
9 ENVIRONMENT.

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11 **SECTION 4. Applicability.** This act applies to conduct occurring
12 on or after the effective date of this act.

13 **SECTION 5. Safety clause.** The general assembly hereby finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, and safety.