

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 16-1073.01 Thomas Morris x4218

**HOUSE BILL 16-1430**

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**HOUSE SPONSORSHIP**

**Lebsock,**

**SENATE SPONSORSHIP**

**Hodge,**

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**House Committees**  
Transportation & Energy

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE IMPLEMENTATION OF A RECOMMENDATION OF THE**  
102 **OIL AND GAS TASK FORCE REGARDING THE SHARING OF OIL AND**  
103 **GAS OPERATORS' DEVELOPMENT PLANS WITH AFFECTED LOCAL**  
104 **GOVERNMENTS.**

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**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>.)*

The Colorado oil and gas conservation commission recently promulgated several rules to implement 2 of the recommendations of the governor's oil and gas task force. The bill codifies some of the essential

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 21, 2016

HOUSE  
Amended 2nd Reading  
April 20, 2016

elements of one of the 2 recommendations, with the following modifications: The rules require operators to share their development plans with municipalities where the proposed operations will occur; and the bill adds counties where the proposed operations will occur.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 34-60-131 as  
3 follows:

4 **34-60-131. Registration for advance planning - definitions.**

5 (1) **Definitions.** AS USED IN THIS SECTION:

6 (a) "DIRECTOR" MEANS THE DIRECTOR OF THE COMMISSION.

7 (b) "LOCAL GOVERNMENT" MEANS A HOME RULE OR STATUTORY  
8 CITY, TOWN, TERRITORIAL CHARTER CITY, COUNTY, OR CITY AND COUNTY.

9 (c) "OIL AND GAS FACILITY" MEANS EQUIPMENT OR IMPROVEMENTS  
10 USED OR INSTALLED AT AN OIL AND GAS LOCATION FOR THE EXPLORATION,  
11 PRODUCTION, WITHDRAWAL, GATHERING, TREATMENT, OR PROCESSING OF  
12 OIL OR NATURAL GAS.

13 (d) "OIL AND GAS LOCATION" MEANS A DEFINABLE AREA WHERE AN  
14 OPERATOR HAS DISTURBED OR INTENDS TO DISTURB THE LAND SURFACE IN  
15 ORDER TO LOCATE AN OIL AND GAS FACILITY.

16 (2) **Operator registration for advance planning.** (a) EACH  
17 OPERATOR SHALL REGISTER WITH THE COMMISSION AND WITH EACH LOCAL  
18 GOVERNMENT THAT HAS REGISTERED WITH THE COMMISSION PURSUANT TO  
19 PARAGRAPH (b) OF THIS SUBSECTION (2) IN WHOSE JURISDICTION IT HAS AN  
20 APPROVED DRILLING UNIT, A PENDING OR APPROVED PERMIT TO DRILL, OR  
21 AN APPLICATION FOR A NEW OR AMENDED OIL AND GAS LOCATION.

22 (b) TO BE QUALIFIED TO RECEIVE THE INFORMATION SPECIFIED IN  
23 THIS SECTION A LOCAL GOVERNMENT MUST REGISTER WITH THE

1 COMMISSION A STATEMENT OF ITS INTENT TO BE COVERED BY THIS  
2 SECTION. A LOCAL GOVERNMENT THAT HAS SO REGISTERED WITH THE  
3 COMMISSION MAY FILE A STATEMENT WITH THE COMMISSION TO REVOKE  
4 ITS REGISTRATION.

5 (c) AN OPERATOR REGISTERS WITH A LOCAL GOVERNMENT BY:

6 (I) COMPLYING WITH THE REGISTRATION PROCESS ESTABLISHED BY  
7 THE LOCAL GOVERNMENT; OR

8 (II) IF A LOCAL REGISTRATION PROCESS DOES NOT EXIST, BY  
9 DELIVERING A CURRENT COPY OF ITS COMMISSION REGISTRATION AND  
10 DESIGNATION-OF-AGENT FORMS TO THE LOCAL GOVERNMENT.

11 (d) A LOCAL GOVERNMENT THAT IS CURRENTLY REGISTERED WITH  
12 THE COMMISSION PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (2)  
13 MAY REQUEST AN OPERATOR THAT HAS REGISTERED WITH IT TO PROVIDE  
14 THE FOLLOWING INFORMATION TO THE LOCAL GOVERNMENT:

15 (I) BASED ON AN OPERATOR'S CURRENT BUSINESS PLAN AS OF THE  
16 DATE OF THE REQUEST, A GOOD-FAITH ESTIMATE OF THE NUMBER OF WELLS  
17 THE OPERATOR INTENDS TO DRILL IN THE NEXT FIVE YEARS WITHIN THE  
18 LOCAL GOVERNMENT'S JURISDICTION; ■

19 (II) A MAP SHOWING THE LOCATION WITHIN THE LOCAL  
20 GOVERNMENT'S JURISDICTION OF THE OPERATOR'S EXISTING WELL SITES  
21 AND RELATED PRODUCTION FACILITIES; SITES FOR WHICH THE OPERATOR  
22 HAS APPROVED, OR HAS SUBMITTED APPLICATIONS FOR, DRILLING AND  
23 SPACING ORDERS; AND SITES THE OPERATOR HAS IDENTIFIED FOR  
24 DEVELOPMENT ON ITS CURRENT DRILLING SCHEDULE FOR WHICH IT HAS  
25 NOT YET SUBMITTED AN APPLICATION FOR COMMISSION PERMITS; AND

26 (III) AN OPERATOR SHALL PROVIDE THE WELL ESTIMATES  
27 REQUESTED PURSUANT TO THIS SECTION USING REASONABLE BUSINESS

1 JUDGMENT BASED ON INFORMATION KNOWN TO THE OPERATOR AS OF THE  
2 DATE THE ESTIMATES ARE REQUESTED. WELL ESTIMATES ARE SUBJECT TO  
3 CHANGE AT ANY TIME AT THE OPERATOR'S SOLE DISCRETION.

4 **SECTION 2. Applicability.** This act applies to applications for  
5 approval of an oil and gas location filed on or after the applicable  
6 effective date of this act.

7 **SECTION 3. Safety clause.** The general assembly hereby finds,  
8 determines, and declares that this act is necessary for the immediate  
9 preservation of the public peace, health, and safety.