

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 17-1228.01 Thomas Morris x4218

**HOUSE BILL 17-1372**

---

**HOUSE SPONSORSHIP**

**Foote and Lebsock,**

**SENATE SPONSORSHIP**

**(None),**

---

**House Committees**

State, Veterans, & Military Affairs  
Appropriations

**Senate Committees**

---

**A BILL FOR AN ACT**

101      **CONCERNING ADDITIONAL DISCLOSURES OF INFORMATION BY OIL AND**  
102            **GAS OPERATORS, AND, IN CONNECTION THEREWITH, REQUIRING**  
103            **THE DISCLOSURE OF THE LOCATION OF SUBSURFACE FACILITIES**  
104            **AND THE SHARING OF OIL AND GAS OPERATORS' DEVELOPMENT**  
105            **PLANS WITH AFFECTED LOCAL GOVERNMENTS, AND MAKING AN**  
106            **APPROPRIATION.**

---

**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://leg.colorado.gov>.)*

The bill requires an oil and gas operator to give electronic notice,

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.*

in a format and by a deadline established by the Colorado oil and gas conservation commission by rule, of the location of each flow line, gathering pipeline, and transmission pipeline installed, owned, or operated by the operator to the director of the commission and each local government within whose jurisdiction the subsurface facility is located. The commission shall post the information on its website in a searchable database.

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

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 34-60-103, **add** (4.1),  
3 (5.3), (6.2), and (6.4) as follows:

4 **34-60-103. Definitions.** As used in this article, unless the context  
5 otherwise requires:

6 (4.1) "DIRECTOR" MEANS THE DIRECTOR OF THE COMMISSION.

7 (5.3) "LOCAL GOVERNMENT" MEANS A HOME RULE OR STATUTORY  
8 CITY, TOWN, TERRITORIAL CHARTER CITY, COUNTY, OR CITY AND COUNTY.

9 (6.2) "OIL AND GAS FACILITY" MEANS EQUIPMENT OR  
10 IMPROVEMENTS, WHETHER SURFACE OR SUBSURFACE, USED OR INSTALLED  
11 AT AN OIL AND GAS LOCATION FOR THE EXPLORATION, PRODUCTION,  
12 WITHDRAWAL, GATHERING, TREATMENT, OR PROCESSING OF OIL OR  
13 NATURAL GAS, INCLUDING FLOW LINES AND GATHERING LINES,  
14 REGARDLESS OF WHETHER LOCATED UNDER OR NEAR A WELL PAD, TANK  
15 FARM, OR OTHER SURFACE FACILITY.

16 (6.4) "OIL AND GAS LOCATION" MEANS A DEFINABLE AREA WHERE  
17 AN OPERATOR HAS DISTURBED OR INTENDS TO DISTURB THE LAND

1 SURFACE IN ORDER TO LOCATE AN OIL AND GAS FACILITY.

2 **SECTION 2.** In Colorado Revised Statutes, **add** 34-60-131 and  
3 34-60-132 as follows:

4 **34-60-131. Disclosure of location of subsurface oil and gas**  
5 **facilities - rules - definition.** (1) AN OPERATOR SHALL GIVE ELECTRONIC  
6 NOTICE, IN A FORMAT AND BY A DEADLINE ESTABLISHED BY THE  
7 COMMISSION BY RULE, OF THE LOCATION OF EACH SUBSURFACE FACILITY  
8 INSTALLED, OWNED, OR OPERATED BY THE OPERATOR TO:

9 (a) THE DIRECTOR; AND

10 (b) EACH LOCAL GOVERNMENT WITHIN WHOSE JURISDICTION THE  
11 SUBSURFACE FACILITY IS LOCATED.

12 (2) THE RULES MUST:

13 (a) DISTINGUISH BETWEEN SUBSURFACE FACILITIES THAT WERE  
14 CONSTRUCTED OR INSTALLED ON OR AFTER THE EFFECTIVE DATE OF THIS  
15 SECTION FROM THOSE THAT WERE CONSTRUCTED OR INSTALLED BEFORE  
16 THE EFFECTIVE DATE OF THIS SECTION;

17 (b) REQUIRE OPERATORS TO FILE THE NOTICE WITH REGARD TO A  
18 SUBSURFACE FACILITY THAT WAS CONSTRUCTED OR INSTALLED ON OR  
19 AFTER THE EFFECTIVE DATE OF THIS SECTION WITHIN A DEFINED PERIOD OF  
20 TIME AFTER THE CONSTRUCTION OR INSTALLATION OF THE FACILITY;

21 (c) REQUIRE OPERATORS TO FILE THE NOTICE WITH REGARD TO A  
22 SUBSURFACE FACILITY THAT WAS CONSTRUCTED OR INSTALLED BEFORE  
23 THE EFFECTIVE DATE OF THIS SECTION WITHIN A DEFINED PERIOD OF TIME  
24 AFTER THE EFFECTIVE DATE OF THIS SECTION. THE DEADLINE ESTABLISHED  
25 PURSUANT TO THIS SUBSECTION (2)(c) MUST BE LATER THAN THE  
26 DEADLINE ESTABLISHED PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION  
27 AND MAY BE LATER FOR A SUBSURFACE FACILITY THAT AN OPERATOR DID

1 NOT CONSTRUCT OR INSTALL BUT RATHER ACQUIRED FROM ANOTHER  
2 OPERATOR.

3 (d) REQUIRE THE OPERATOR TO SPECIFY WHETHER THE  
4 SUBSURFACE FACILITY IS ACTIVE OR ABANDONED; AND

5 (e) REQUIRE OPERATORS TO MAKE AN AFFIRMATIVE EFFORT TO  
6 LOCATE SUBSURFACE FACILITIES THAT THE OPERATOR INSTALLED, OWNS,  
7 OR OPERATES, REGARDLESS OF WHETHER:

8 (I) THE OPERATOR CONSTRUCTED OR INSTALLED THE FACILITY OR  
9 ACQUIRED IT FROM ANOTHER OPERATOR; OR

10 (II) THE FACILITY IS ACTIVE OR ABANDONED.

11 (3) THE DIRECTOR SHALL PROMPTLY POST THE INFORMATION ON  
12 THE COMMISSION'S WEBSITE IN A FORMAT THAT ALLOWS LOCAL  
13 GOVERNMENTS AND THE PUBLIC TO LOCATE SUBSURFACE FACILITIES  
14 THROUGH A SEARCHABLE DATABASE USING MAPPING AND GEOGRAPHIC  
15 INFORMATION SYSTEM SOFTWARE.

16 (4) FOR PURPOSES OF THIS SECTION, "SUBSURFACE FACILITY"  
17 MEANS AN OIL AND GAS FACILITY THAT IS A FLOW LINE OR A GATHERING  
18 LINE.

19 **34-60-132. Disclosure of development plans.** (1) A LOCAL  
20 GOVERNMENT MAY REQUEST AN OPERATOR TO PROVIDE, AND IF SO  
21 REQUESTED, THE OPERATOR SHALL PROVIDE, THE FOLLOWING  
22 INFORMATION TO THE LOCAL GOVERNMENT:

23 (a) BASED ON AN OPERATOR'S CURRENT BUSINESS PLAN AS OF THE  
24 DATE OF THE REQUEST, A GOOD-FAITH ESTIMATE OF THE NUMBER OF  
25 WELLS THE OPERATOR INTENDS TO DRILL IN THE NEXT FIVE YEARS WITHIN  
26 THE LOCAL GOVERNMENT'S JURISDICTION; AND

27 (b) A MAP SHOWING THE LOCATION WITHIN THE LOCAL

1 GOVERNMENT'S JURISDICTION OF THE OPERATOR'S EXISTING WELL SITES  
2 AND RELATED OIL AND GAS FACILITIES; SITES FOR WHICH THE OPERATOR  
3 HAS APPROVED, OR HAS SUBMITTED APPLICATIONS FOR, DRILLING AND  
4 SPACING ORDERS; AND SITES THE OPERATOR HAS IDENTIFIED FOR  
5 DEVELOPMENT ON ITS CURRENT DRILLING SCHEDULE FOR WHICH IT HAS  
6 NOT YET SUBMITTED AN APPLICATION FOR COMMISSION PERMITS.

7 (2) AN OPERATOR SHALL PROVIDE THE WELL ESTIMATES  
8 REQUESTED PURSUANT TO THIS SECTION USING REASONABLE BUSINESS  
9 JUDGMENT BASED ON INFORMATION KNOWN TO THE OPERATOR AS OF THE  
10 DATE THE ESTIMATES ARE REQUESTED. WELL ESTIMATES ARE SUBJECT TO  
11 CHANGE AT ANY TIME AT THE OPERATOR'S SOLE DISCRETION.

12 **SECTION 3. Appropriation.** For the 2017-18 state fiscal year,  
13 \$49,466 is appropriated to the department of natural resources for use by  
14 the oil and gas conservation commission. This appropriation is from the  
15 oil and gas conservation and environmental response fund created in  
16 section 34-60-122(5), C.R.S., and is based on an assumption that the  
17 commission will require an additional 0.6 FTE. To implement this act, the  
18 commission may use this appropriation for program costs.

19 **SECTION 4. Applicability.** This act applies to conduct occurring  
20 on or after the applicable effective date of this act.

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