

The page reference below is to the *reengrossed* version of S.B. 19-181.

**Bottom of page 8:**

26 (VII) ALL OTHER NUISANCE-TYPE EFFECTS OF OIL AND GAS  
27 DEVELOPMENT; AND

(VIII) THE PROTECTION AND ADMINISTRATION OF MINERAL (OIL AND GAS)  
RESOURCE AREAS DESIGNATED AS AREAS OF STATE INTEREST IN SUCH A  
MANNER AS TO PERMIT THE EXTRACTION AND EXPLORATION OF MINERALS (OIL  
AND GAS) THEREFROM, UNLESS EXTRACTION AND EXPLORATION WOULD  
CAUSE SIGNIFICANT DANGER TO PUBLIC HEALTH AND SAFETY, AS DETERMINED  
BY THE LOCAL GOVERNMENT MAKING THE DESIGNATION; AND

**Pages 9 and 10:**

5 (2) TO IMPLEMENT THE POWERS AND AUTHORITY GRANTED IN  
6 SUBSECTION (1)(h) OF THIS SECTION, A LOCAL GOVERNMENTS **WITHIN ITS  
RESPECTIVE JURISDICTION** HAVE **HAS** THE

7 AUTHORITY TO:

8 (a) INSPECT ALL FACILITIES SUBJECT TO LOCAL GOVERNMENT  
9 REGULATION;

10 (b) IMPOSE FINES FOR LEAKS, SPILLS, AND EMISSIONS; AND

11 (c) IMPOSE FEES ON OPERATORS OR OWNERS TO COVER THE  
12 REASONABLY FORESEEABLE DIRECT AND INDIRECT COSTS OF PERMITTING  
13 AND REGULATION AND THE COSTS OF ANY MONITORING AND INSPECTION  
14 PROGRAM NECESSARY TO ADDRESS THE IMPACTS OF DEVELOPMENT AND  
15 TO ENFORCE LOCAL GOVERNMENTAL REQUIREMENTS.

16 (3) (a) TO PROVIDE A LOCAL GOVERNMENT WITH TECHNICAL  
17 EXPERTISE REGARDING WHETHER A PRELIMINARY OR FINAL  
18 DETERMINATION OF THE LOCATION OF AN OIL AND GAS FACILITY OR OIL  
19 AND GAS LOCATION **WITHIN ITS RESPECTIVE JURISDICTION** COULD AFFECT  
OIL AND GAS RESOURCE RECOVERY:

20 (I) ONCE AN OPERATOR, AS DEFINED IN SECTION 34-60-103 (6.8),  
21 FILES AN APPLICATION FOR THE LOCATION AND SITING OF AN OIL AND GAS  
22 FACILITY OR OIL AND GAS LOCATION AND THE LOCAL GOVERNMENT HAS  
23 MADE EITHER A PRELIMINARY OR FINAL DETERMINATION REGARDING THE  
24 APPLICATION, THE LOCAL GOVERNMENT **HAVING LAND USE JURISDICTION**  
MAY ASK THE DIRECTOR OF THE  
25 OIL AND GAS CONSERVATION COMMISSION PURSUANT TO SECTION  
26 34-60-104.5 (3) TO APPOINT A TECHNICAL REVIEW BOARD TO CONDUCT A  
27 TECHNICAL REVIEW OF THE PRELIMINARY OR FINAL DETERMINATION AND  
ISSUE A REPORT

**Bottom of page 13 and top of page 14:**

~~25 (b) DOES NOT INCLUDE THE NONPRODUCTION OF GAS FROM A  
26 FORMATION IF NECESSARY TO PROTECT PUBLIC HEALTH, SAFETY, AND  
27 WELFARE, THE ENVIRONMENT, OR WILDLIFE RESOURCES AS DETERMINED  
1 BY THE COMMISSION.~~

**Page 14:**

~~11 (b) DOES NOT INCLUDE THE NONPRODUCTION OF OIL FROM A  
12 FORMATION IF NECESSARY TO PROTECT PUBLIC HEALTH, SAFETY, AND  
13 WELFARE, THE ENVIRONMENT, OR WILDLIFE RESOURCES AS DETERMINED  
14 BY THE COMMISSION.~~

**Pages 14 and 15:**

15 (13) "Waste", in addition to the meanings as set forth in  
16 subsections (11) and (12) of this section:

17 (a) Means, ~~SUBJECT TO SUBSECTION (13)(b) OF THIS SECTION:~~

18 (a) (I) Physical waste, as that term is generally understood in the  
19 oil and gas industry;

20 (b) (II) The locating, spacing, drilling, equipping, operating, or  
21 producing of any oil or gas well or wells in a manner which THAT causes  
22 or tends to cause reduction in quantity of oil or gas ultimately recoverable  
23 from a pool under prudent and proper operations or which THAT causes  
24 or tends to cause unnecessary or excessive surface loss or destruction of  
25 oil or gas; AND

26 (c) (III) Abuse of the correlative rights of any owner in a pool due  
27 to nonuniform, disproportionate, unratable, or excessive withdrawals of  
oil or gas therefrom

1 FROM THE POOL, causing reasonably avoidable  
2 drainage between tracts of land or resulting in one or more producers or  
3 owners in such THE pool producing more than his AN equitable share of  
4 the oil or gas from such THE pool; AND

~~5 (b) DOES NOT INCLUDE THE NONPRODUCTION OF OIL OR GAS FROM  
6 A FORMATION IF NECESSARY TO PROTECT PUBLIC HEALTH, SAFETY, AND  
7 WELFARE, THE ENVIRONMENT, OR WILDLIFE RESOURCES AS DETERMINED  
8 BY THE COMMISSION.~~

**Pages 21 and 22:**

11 (A) ~~Giving to the commission notice of intention~~ APPLYING FOR  
12 A PERMIT to drill, WHICH MUST INCLUDE PROOF EITHER THAT: THE  
13 OPERATOR HAS FILED AN APPLICATION WITH ALL AFFECTED **THE LOCAL**  
14 GOVERNMENTS **HAVING LAND USE JURISDICTION** TO APPROVE THE SITING OF  
THE PROPOSED OIL AND GAS

15 LOCATION AND THE LOCAL GOVERNMENTS' DISPOSITION OF THE  
16 APPLICATION; OR NO AFFECTED LOCAL GOVERNMENT HAVING LAND USE  
17 JURISDICTION REGULATES THE  
18 SITING OF OIL AND GAS LOCATIONS; and without first

**Bottom of page 21 and top of page 22:**

26 (H) (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW BUT  
27 SUBJECT TO SUBSECTION (1)(f)(III)(B) OF THIS SECTION, UNTIL THE  
28 COMMISSION HAS PROMULGATED ANY  
29 RULES REQUIRED TO BE ADOPTED BY  
30 SUBSECTIONS (2.5)(a), (11)(e), AND (19) OF THIS SECTION AND EACH RULE  
31 SPECIFIED IN THIS SUBSECTION (1)(f)(III)(A) HAS BECOME EFFECTIVE, THE  
32 DIRECTOR MAY REFUSE TO ISSUE A PERMIT IF THE DIRECTOR DETERMINES,  
33 PURSUANT TO OBJECTIVE CRITERIA TO BE PUBLISHED BY THE DIRECTOR  
34 WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION  
35 (1)(f)(III) AND FOLLOWING A PUBLIC COMMENT PERIOD, THAT THE PERMIT  
36 REQUIRES ADDITIONAL ANALYSIS TO ENSURE THE PROTECTION OF PUBLIC  
37 HEALTH, SAFETY, AND WELFARE OR THE ENVIRONMENT OR REQUIRES  
38 ADDITIONAL LOCAL GOVERNMENT OR OTHER STATE AGENCY  
39 CONSULTATION.  
40 (B) THIS SUBSECTION (1)(f)(III) WILL BE REPEALED IF THE RULES  
41 SPECIFIED IN SUBSECTION (1)(f)(III)(A) OF THIS SECTION HAVE BECOME  
42 EFFECTIVE. THE DIRECTOR SHALL NOTIFY THE REVISOR OF STATUTES IN  
43 WRITING OF THE DATE ON WHICH ALL RULES SPECIFIED IN SUBSECTION  
44 (1)(f)(III)(A) OF THIS SECTION HAVE BECOME EFFECTIVE BY E-MAILING  
45 THE NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS SUBSECTION  
46 (1)(f)(III) IS REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN THE  
47 NOTICE THAT THE RULES SPECIFIED IN SUBSECTION (1)(f)(III)(A) OF THIS  
48 SECTION HAVE BECOME EFFECTIVE OR, IF THE NOTICE DOES NOT SPECIFY  
49 THAT DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

**Page 23:**

5 (2.5) (a) IN EXERCISING THE AUTHORITY GRANTED BY THIS  
6 ARTICLE 60, THE COMMISSION SHALL NOT ACT ARBITRARILY OR  
7 CAPRICIOUSLY IN REGULATING OIL AND GAS OPERATIONS SO AS TO  
8 PROTECT AND MINIMIZE ADVERSE IMPACTS TO PUBLIC HEALTH, SAFETY,  
9 AND WELFARE, THE ENVIRONMENT, AND WILDLIFE RESOURCES AND SHALL  
10 PROTECT AGAINST ADVERSE ENVIRONMENTAL IMPACTS ON ANY AIR,  
11 WATER, SOIL, OR BIOLOGICAL RESOURCE RESULTING FROM OIL AND GAS  
12 OPERATIONS.  
13 (b) THE NONPRODUCTION OF OIL AND GAS RESULTING FROM A  
14 CONDITIONAL APPROVAL OR DENIAL AUTHORIZED BY THIS SUBSECTION  
15 (2.5) DOES NOT CONSTITUTE WASTE.

**Pages 28 and 29:**

23 (b) THE APPLICATION MUST INCLUDE PROOF THAT EITHER:  
24 (I) THE APPLICANT HAS FILED AN APPLICATION WITH THE LOCAL  
25 GOVERNMENT WITH HAVING LAND USE JURISDICTION TO APPROVE THE  
SITING OF THE  
26 PROPOSED OIL AND GAS LOCATION AND THE LOCAL GOVERNMENT'S  
27 DISPOSITION OF THE APPLICATION; OR  
1 (II) THE LOCAL GOVERNMENT WITH HAVING LAND USE JURISDICTION DOES  
NOT  
2 REGULATE THE SITING OF OIL AND GAS LOCATIONS.

**Page 32:**

16 (2) LOCAL GOVERNMENTS AND STATE AGENCIES, INCLUDING THE  
17 COMMISSION AND AGENCIES LISTED IN SECTION 34-60-105 (1)(b), HAVE  
18 REGULATORY AUTHORITY OVER OIL AND GAS DEVELOPMENT, INCLUDING  
19 AS SPECIFIED IN SECTION 34-60-105 (1)(b). A LOCAL GOVERNMENT'S  
20 REGULATIONS MAY BE MORE PROTECTIVE OR STRICTER THAN STATE  
21 REQUIREMENTS.