

My name is Megan Wilder.

I'll start with a disclaimer: I'm an activist and a neuroscientist – not an economist, so I'll confine my remarks to the basic financial implications of this bill as I see it.

The testimony from the oil and gas industry is the same old story of financial scare tactics- about how more rules would result in lost jobs and decimation of our economy. Oil and gas executives demand that lawmakers provide them with special guarantees, ultra-certainty and extra insulation from market forces.

Don't be fooled. Don't let the oil and gas executives tell you that these new regulations are too onerous or expensive to implement. These companies have extracted **immense** wealth from our land- if they can't afford to operate under these very **incrementally** strengthened rules, then they should not be drilling here.

And whereas I'm sympathetic to individuals working in this doomed industry, I am **not** sympathetic to the oil companies that **choose to do business here**. These greedy, cutthroat corporations have had it too easy for too long.

This industry has been handed so many advantages that other corporations simply don't receive, and yet they still claim poverty. Our taxpayer dollars pay for research to help oil & gas develop new methods and our government fights decades-long wars to protect their mineral interests overseas.

This industry is routinely given special preference with exemptions from environmental laws, and it is sheltered from financial responsibility for the health consequences and environmental destruction they cause. They benefit from countless tax breaks, relief from royalty payments, write offs for depleted wells, deductions for exploration costs, deductions for intangible drilling costs and exemptions from corporate income taxes.

These corporations are dependent on generous, permanent, federal and state subsidies that should really only be granted temporarily, during the start up phase of new, beneficial technologies (like renewables). Such subsidies **ought not** be gifted to mature businesses like oil & gas that have operated for over 100 years and which should be able to stand on their own.

Even with these egregious government hand outs of our tax dollars, local oil and gas companies routinely skirt regulations to save money, cheat small owners out of royalties they are owed, cynically spend over 40 million dollars to defeat the citizens' Prop 112 and brazenly influence politicians with campaign donations.

One of the dire financial predictions that the industry has made about SB181, is that these new rules will demonstrate to outside investors and oil companies that Colorado is not "open for business." To me that's just fine. If a company is so financially precarious, that following **ever so slightly safer rules**, makes it fiscally impossible for them to operate, then we don't want them here.

These are the kinds of shaky companies who are already on the edge of bankruptcy. They are the dodgy ones most likely to cut corners on safety and flout environmental regulations. These are the vulnerable companies who will later leave town during the next downturn or when they run out of loan money. They leave behind spills, contaminated land, destroyed roads, abandoned wells & unmapped pipelines - sticking the taxpayers with the bill. We need up front bonding for 100% of the **real** costs of **all aspects** of this industry's operation and sufficiently increased permit fees to **fully fund** the current backlog of orphan wells.

In closing, we really **must** stop propping up this industry. Every single business in the world, when it decides to operate, takes a gamble. Why are the oil and gas corporations treated any differently? Taxpayers should no longer be forced to financially guarantee that the oil and gas industry makes a nice hefty profit. There are much stronger market forces at work here than just SB181. Make this industry **put on its big boy pants** and take responsibility for its own financial situation.

I have another meeting in Denver at 6:30 so I'll have to leave early.

I was hoping that either you or Heidi H. would read my testimony assuming I have to leave before I'm called.

If you are able to read my testimony, thanks.

If not, then don't stress.

I should be called soon.

I ~~can~~ could give you a ride to Boulder around

8:30 pm if that helps.

I'll text you

HOUSE WRITTEN TESTIMONY SHEET

DATE: 03-25-2019
BILL #: SB 19-181
PRIME SPONSORS: REP BECKER

NAME: K.K. DuVivier
PHONE #: 303-443-3098
FOR: AGAINST:

WRITTEN TESTIMONY:

I signed up to testify but had to leave.

My main point is this - those testifying are saying that this bill will shut down the oil + gas industry in Colorado because the industry cannot survive without consistent and reliable regulation provided by the COGCC to protect the industry with statewide regulation that preempts local authority.

BUT renewable energy - solar + wind - has no comparable statewide agency and always has to comply with varying local control, including moratoriums. (Case in point Xcel Energy's Rush Creek spanned 4 or 5 counties). yet renewables are competing as the lowest cost choice for Xcel.

So while SB 19-181 does not level the playing field, it helps somewhat reduce the unfair advantage oil + gas has enjoyed for decades.

ALSO SEE ATTACHED

PRINT NAME: KK DuVivier

SIGNATURE: 

March 25, 2019—Written Testimony for SB 19-181 from K.K. DuVivier (303-443-3098)

Prime Sponsors: Senator Fenberg and Speaker Becker

I worked as a geologist for 4 years before law school and have the greatest respect for the hard work that goes on in the field. I also appreciate that Colorado has a long history of extraction and that oil and gas are important contributors to our state's economy. However, recent lawsuit and ballot initiatives show that the balance has been off, at the expense of health and safety. Because I believe that SB 19-181 will bring us to a better equilibrium that reflects the increasing information we have about the environment, I fully support it.

In addition to my experience as a geologist, I also have served as a City Attorney in Colorado, and for the last three decades a law professor. My specialty is Energy Law, and I have authored two books and numerous articles, so I have a broad base of knowledge and perspective that few others can claim.

There are several aspects of SB 19-181 that I endorse:

- (1) It is good to make clear that denying a permit for health reasons is not "waste."
- (2) It is good that the composition of the COGCC will be more balanced instead of being "captured" or dominated by the industry.
- (3) Although as a geologist, I might argue that "pooling" is not appropriate at all for non-fugacious recovery (e.g. only conventional oil and gas deposits create "pools"), I believe SB 19-181's requirement for a higher participation before forcing pooling and higher royalty rates are appropriate if the practice will be retained.

I especially want to raise a point that I have not heard others addressing. Several of the opponents to the bill have argued that the oil and gas industry will be devastated if it loses the ability to have the COGCC preempt local authority. They argued that the uncertainty of local control will make them unable to operate and will drive investment away. The irony of this is that the much-less-funded and less-established energy industry has no agency similar to the COGCC to protect it with statewide regulation. Instead, any renewable energy project must comply with a variety of local controls and the changing of local policymakers. As a consequence, the renewable energy industry faces a disadvantage in comparison to oil and gas. Yet it has survived. So while SB 19-181 does not level the playing field, I do think it is time to lessen the unfair advantage that oil and gas has enjoyed for all of these decades.

Here is an article that I have written that addresses some of the relevant history and inequities: Sins of the Father, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2445063

I hope this is helpful and urge you to vote in favor of SB 19-181. Thank you!

Professor K.K. DuVivier, University of Denver Sturm College of Law

HOUSE WRITTEN TESTIMONY SHEET

DATE: 03-25-2019
BILL #: SB 19-181
PRIME SPONSORS: REP BECKER

NAME: Sharon Murra
PHONE #: 303-530-5608
FOR: AGAINST:

WRITTEN TESTIMONY:

I support this bill. I am a native of CO and I own a town house in Denver. I want to buy a home in Aurora, the only area that I can afford, However: Fracking has begun in Aurora! Because of forced pooling I would be in danger of $\frac{1}{3}$ loss of property value as well as damage ~~to~~ my health.

Please support this bill and keep it from additions that would in any way weaken it.

I am for this Bill because forced pooling may be allowed by the CO. constitution but it is clearly in violation of our nation's constitution ~~which~~ on the basis of health, property rights + personal pursuit of happiness.

* Please take the money you would have used to pay for orphan well maintenance to pay for our schools.
* Let's invest in renewable energy jobs instead!

PRINT NAME: Sharon Murra

SIGNATURE: 

HOUSE WRITTEN TESTIMONY SHEET

DATE: 03-25-2019
BILL #: SB 19-181
PRIME SPONSORS: REP BEUCER

NAME: Debra Pond
PHONE #: 720-276-9179
FOR: AGAINST:

WRITTEN TESTIMONY: the bill

I am a Colorado native and a resident of Aurora for 45 years. I am for the bill. Oil and Gas representatives do not have the best interest of the environment and the general public in the best interest.

If it is true that there are 800 uncapped wells in Colorado and the tax payer has to pay to cap these in millions of dollars. Wow! Why is not O+G paying for this why do they not consciously accept their financial & environmental responsibilities?

O+G talks about jobs & the economy and supporting education... well in 30 years there will be no kids to educate... no kidding. With global warming & immigration issues the population will move central and people's lives will be impacted even more with problems with water, food & health.

With greed as the objective of O+G, this bill will make them take on responsibilities concerning climate change. I will be dead in 30 years - no one in oil & gas care about the far future of the environment - this is called short sightedness - have a sense of entitlement and concern with only their pocket books, with O+G.

PRINT NAME: Debra Pond

SIGNATURE: Debra Pond



HOUSE WRITTEN TESTIMONY SHEET

DATE: 03-25-2019
BILL #: SB 19-181
PRIME SPONSORS: REV BEUCEX

NAME: Emily Hagstrom
PHONE #: 720-582-0242
FOR: _____ AGAINST: X

WRITTEN TESTIMONY:

SEE ATTACHED

PRINT NAME: _____

SIGNATURE: _____

Statement before the 2019 House Committee on Finance

March 25th, 2019

Colorado State Capitol

Chairwoman Herod, and Members of the Committee,

My name is Emily Haggstrom, and I am representing Consumer Energy Alliance (CEA.) The national advocate for energy consumers across America. Today I want to discuss SB 181 and its potential impact on those consumers. In CEA's "Colorado Energy Savings Report released in October, the report found that Colorado energy consumers, including small businesses and the most vulnerable Colorado families – those who live at or below the poverty line – saved over \$12.4 billion due in large part to oil and gas produced right here in Colorado.

This legislation purports to protect the health and safety of Coloradans while it simultaneously enlists political appointees over scientists. The biggest drawback is that it has the very real potential to make our state another fortress for socio-economically privileged citizens who are willing to pay some of the highest electricity rates in the country, while pushing out and further marginalizing those who are unable to subsist in Colorado's increasingly more expensive cost of living.

It should also be noted that Colorado already has some of the most stringent rules in the country for regulating oil and gas production activities, and in many instances superseding federal standards outlined in previous Presidential administrations. This has prompted even Governor Bill Ritter, as part of Governor Polis' energy transition team to state that, "Today, Colorado maintains its place at the top, with the most stringent set of state regulations governing oil and gas extraction."

Not only does oil and gas production in our state provide affordable sources of abundant energy contributing more than \$1 billion dollars in state and local tax revenue, but^[1] clean-burning natural gas is also a significant economic boon to various areas of our state who can export gas nationally, and internationally. These exports not only help bring in additional revenue to the state, they also assist our efforts in reducing emissions, not just here in Colorado, but around the world. Natural gas is also integral to the development of solar and wind projects that will need to come online as we increase state mandates.

Unfortunately, because of the ambiguity of the bill and without an opportunity to conduct a full economic study on SB 181 due to the hasty process associated with this legislation, here are some scenarios laid out in an economic evaluation by the Leeds School of Business.

- 33% shutdown scenario
 - 61,000 jobs lost^[2]
 - More than \$4.4 billion in lost state and local tax revenue from 2020-2030
 - Over \$84 billion in lost GDP 2020-2030
- 50% shutdown scenario

^[1] Leeds School of Business Study, 2015

^[2] REMI Partnership Study – Common Sense Policy Roundable

- 120,000 jobs lost
- More than \$8 billion in lost state and local tax revenue from 2020-2030
- More than \$158 billion in lost GDP from 2020-2030
- 100% shutdown
 - 185,000 jobs lost
 - More than \$13.5 billion in lost state and local tax revenue from 2020-2030
 - More than \$257 billion in lost GDP from 2020-2030

Why does all of this matter? Aside from the dollar impacts to companies, employees and state and local coffers, the real question is: How will the losses resulting from this bill be shouldered by Coloradans? It is CEA's opinion that Colorado consumers – your constituents - will ultimately end up shouldering the burden, in the forms of lost revenues for essential public services like schools, hospitals, emergency responders, police and more. It also comes at a time when other major legislative initiatives are being considered like subsidizing high-cost health claims and free all-day kindergarten. Where is all this money going to come from? The voters in the state should be concerned that new taxes may be imposed to make up for this significant lost revenue.

CEA suggests that this committee amend SB 181 to include the accompanying cuts in budgets and programs that inevitably will result from its passage. This committee should also consider the costs of litigation related to inevitable "takings" lawsuits from landowners and producers alike. This committee should communicate to Governor Polis that this ambitious agenda is exacerbating nothing less than a civil war between the "have's" and "have-not's" of this state.

Additionally, this committee should consider that the stewardship of state revenues which benefit Colorado families must be a prominent part of this legislation and consider finding a path forward more closely aligned with former Governors Ritter and Hickenlooper, or even a bill that reflects the will of Coloradans who voted "no" on Prop 112 just a few months ago. This committee needs to look at the real numbers that have been reviewed by other committees and make decisions that take into account families across Colorado. The urban poor, the rural poor, the downward spiraling middle class struggling to make ends meet – not just siding with the socio-economically elite from the wealthiest and most privileged communities across the state who can use their money to influence policy.

HOUSE WRITTEN TESTIMONY SHEET

DATE: 03-25-2019
BILL #: SB 19-181
PRIME SPONSORS: REP BEUCER

NAME: _____
PHONE #: _____
FOR: _____ AGAINST: _____

WRITTEN TESTIMONY:

Elizabeth Hudetz

SEE
ATTACHED

PRINT NAME: _____

SIGNATURE: _____

Can we afford to NOT pass this bill? It could be the beginning of citizens taking control of their destiny, turning the tide on global warming/ climate chaos. Signs are all around us. To ignore them is at our own peril.

Financially:

There's NOT ENOUGH MONEY bonded or provided BY INDUSTRY to cover the destruction that they're already LEAVING in their wake.

Matt LePore said that ORPHANED WELLS cost (at least) \$85, 000 to cap (with cement that cracks!) forcing us to pay for our 4,000 current orphaned wells.

$$\$85,000 \times 4,000 = \$340,000,000$$

Since we currently have 50,000 to 80,000 wells still in "production" they will become orphaned also and need the same.

$$\$85,000 \times 50,000 = \$4.25e9!$$

$$\$85,000 \times 80,000 = \$6.8e9!!$$

Can we AFFORD even ONE more well? CAN WE AFFORD what we already KNOW we'll be paying? I think not.

They'll need to be recapped WHEN the CEMENT CRACKS exposing dangerous chemicals to the elements CREATING potential for EXPLOSIONS, FIRE and RUINING our water.

[SHEET]

How much is our WATER worth? Can we replace it as water becomes more scarce and thus more expensive? LIVING IN AN ARID CLIMATE should make water MORE PRECIOUS. We should NOT GIVE IT TO INDUSTRY for PENNIES on the dollar, VS WHAT CITIZENS pay. (I've seen government docs between cities and the suppliers of water.) And as we know, IT CANNOT BE REUSED, despite what industry claims. Then IT MUST BE

STORED which is not working out IN OKLAHOMA. Previously experiencing 3 EARTHQUAKES a YEAR, what has become more than 3 A WEEK IS HORRIFYING and we won't escape this. These EARTHQUAKES are shown to have been CAUSED BY PRODUCED WATER from fracking being STORED IN ABANDONED WELLS. There was an EARTHQUAKE IN CO JUST A FEW DAYS AGO, so it's happening here already!

DEBORAH ROGERS, FINANCIAL ADVISOR TO OBAMA ON FRACKING, SAYS that's it's much like the housing bubble Of '08. They're not selling oil & Gas, they're selling real estate that has gas under it...so they say. To quote her, "IT'S A PONZI SCHEME, A SHELL GAME, AND LIKE THE HOUSING BUBBLE IT WILL BURST." And it's getting closer every day. It seems that a lot has been going on behind the scenes too manipulating the stocks.

[Wall StreetSHEET]

Extraction in Windsor's: STOCK has plummeted after their all-time high IN 2008/2009. THEIR STOCK WAS \$24 A SHARE, but NOW IT'S hovering AROUND \$4 a share.

[NASDAQ chart Provided]

And all the TAXES they pay TO FINANCE our SCHOOLS?

[leg.colorado.gov CHART]

IN 2008 /2009 they paid over \$300,000,000 in severance taxes. In 2016/2017-2017/2018 they paid less that \$1,000,000. YES, THEY paid \$675,000,000...that's POINT \$675, A LITTLE OVER HALF A MILLION.

Businesses are starting to have trouble financing this folly as foreign countries & Wall Street see the writing on the wall.

Workers are concerned about their jobs? Looks like they'll be losing them

anyway... To robots

[BLOOMBERG ARTICLE]

BUT there are estimated to be about 4 times as many jobs in alternative energy as in Fossil Fuels...and windmills and solar panels don't explode, or cause earthquakes, or poison our water and our air, which costs us, the victims of this reckless technology, in money for the cancers, emphysema, and neurological damage they've been shown to cause with all the medical studies.

Everyone knows that fossil fuels are a limited commodity, and we're running out, thus the uber destructive method of attainment called fracking.

WE MUST GO (100%) fossil free anyway.

LET'S START NOW, before the tipping point.

Please pass this without further amendments that will weaken the bill.

Thank you!

Elizabeth Hudetz

Ft Collins, 80525

(970) 566-1514

Severance Tax

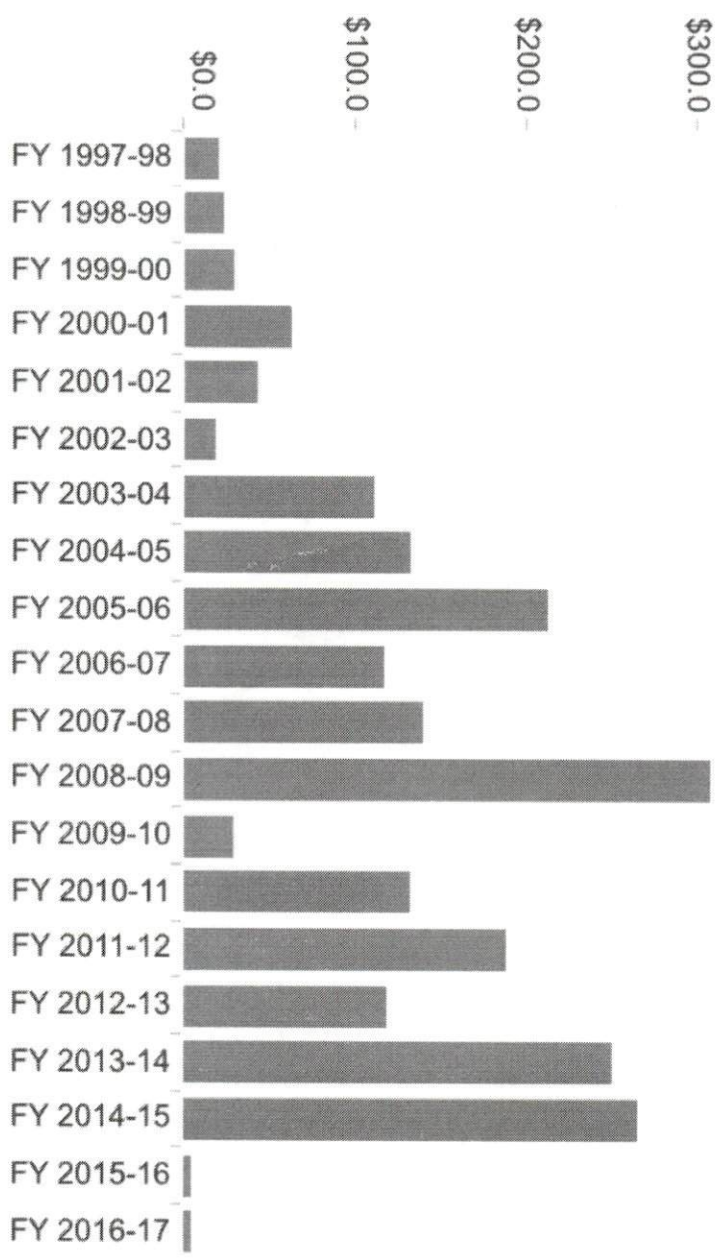
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Severance Tax Revenue

Dollars in Millions

Modify View

Oil and Gas Severance Tax



+ a b l e a u

↑ ↓ ↵ ⌂ ↶

Background

Extraction Oil & Gas, Inc. Common Stock Real Time Stock
Quotes

XOG \$4.18* 0.36 ↓ 7.92%

*Real-Time - data as of 2/27/2019 - Find a broker to begin trading XOG now

Exchange:NASDAQ

Industry: Energy

Community Rating: Bullish

View: XOG After Hours

List
Buy

XOG

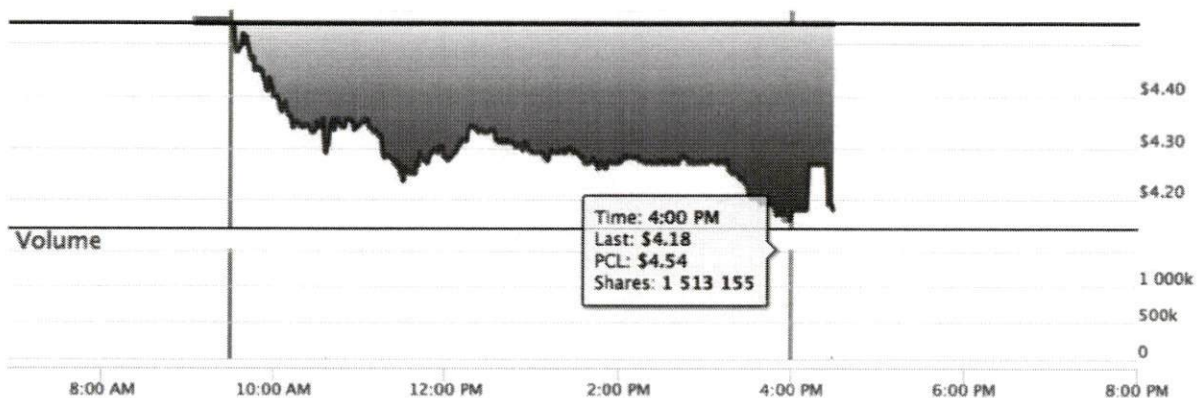
Save Stocks

Refresh

Views

XOG's NASDAQ Last Sale (NLS)	NLS Volume	Previous Close	Today's High / Low	52 Week High / Low
4.18 0.36 ▼ 7.92%	6,598,990	\$4.54	\$4.57 / \$4.16	\$17.42 / \$3.14

Data as of 2/27/2019 - Market Closed



Intraday 5 day 1 Month 6 Months 1 Year More Charting

Will XOG go up or down?

Make your own prediction

Next Day



Next Week



Next Month



Next Quarter



Predicting constitutes acceptance of PredictWallStreet's terms of use.

<https://www.nasdaq.com/symbol/xog/real-time>

NOTE THE BIG 4:00 TRADE of about one and a half million shares..... AND more after hours trading.....WAKE UP SEC.

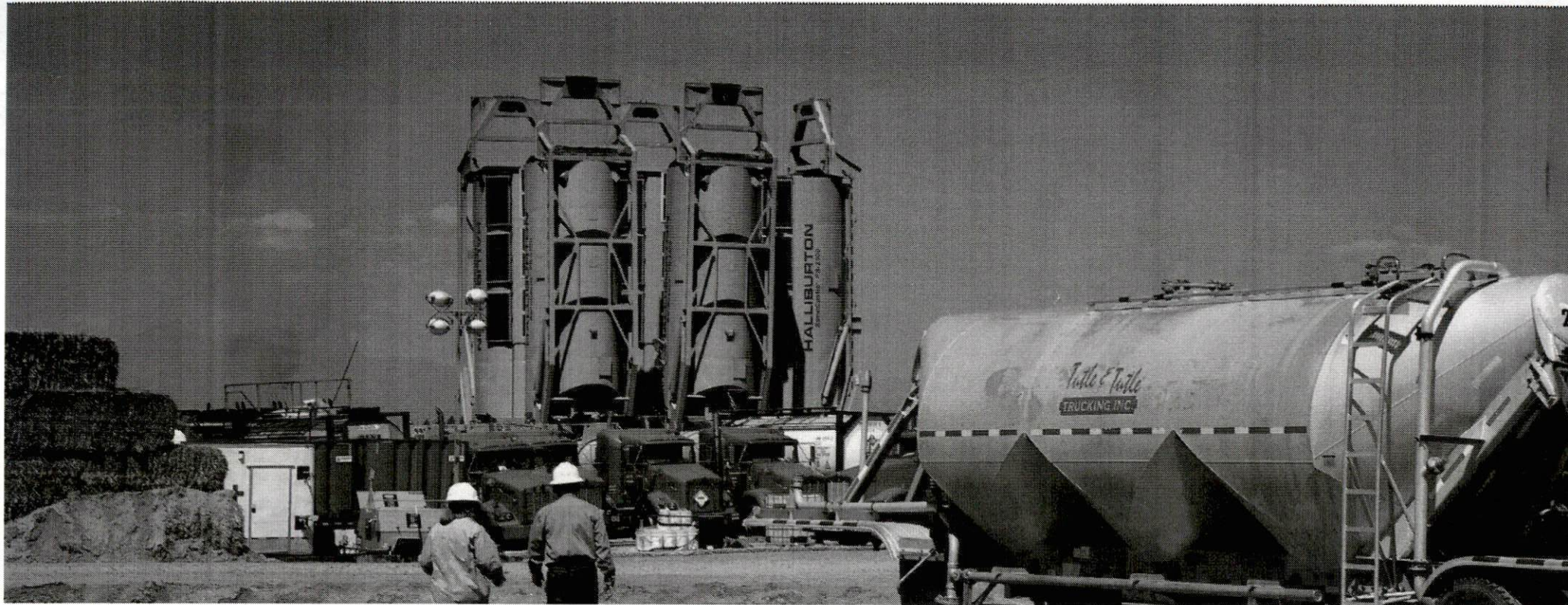


<https://www.nasdaq.com/symbol/xog/real-time>

Keep in mind they were 24.00 in the fall of 2016 when they started this charade. How quickly they fall.

STILL SUCKING and lots of AFTER-HOURS TRADING.....HMMMMMM....NOTE the END of day trade of over 200,000 shares. HMMMMM.....

Just saying.....



Photographer: Jamie Schwaberow/Bloomberg

Technology

Fracking Robots in the Works as Halliburton Digitizes Oil Field

By [David Wethe](#)

August 21, 2018, 11:58 AM MDT Updated on August 21, 2018, 10:00 PM MDT

[LISTEN TO ARTICLE](#)

Rack up one more thing robots can be used for: Fracking for

[LIVE ON BLOOMBERG](#)

Done

IMG_0335 (4 of 4)



A well sight near a water course. Numerous sites such as this were compromised during the 2013 that hit northern Colorado. Their product, all poison, whether operational waste or oil, was carried, uninvited, downstream. Is the requirement that new well sites by 2500 feet from water courses unreasonable as the industry claims?