

**Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO**

**ENGROSSED**

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

LLS NO. 22-0491.01 Jessica Herrera x4218

**SENATE BILL 22-026**

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**SENATE SPONSORSHIP**

**Ginal and Kirkmeyer,**

**HOUSE SPONSORSHIP**

**Boesenecker and Rich,**

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**Senate Committees**  
Finance

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING AN OIL AND GAS OPERATOR'S SOLE ABILITY TO REVIEW**  
102 **AND PROTEST PROPERTY TAX.**

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

Current law requires a county property tax assessor (assessor) to send a notice of valuation of personal property to the operator of each wellsite, or if there is no operator, to the owner who has filed a statutorily required statement with the assessor.

The bill:

- States that oil and gas fractional interest owners are not

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

SENATE  
2nd Reading Unamended  
February 14, 2022

entitled to separate valuation, notification, review, audit, protest, abatement, or appeal procedures by the assessor; and

- Designates the operator of each wellsite, or if there is no operator, the owner who filed the statement, as the representative of all fractional interest owners and as the exclusive point of contact for the assessor for all notification, review, audit, protest, abatement, and appeal procedures.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-5-121, **amend**  
3 (1.5)(b) as follows:

4 **39-5-121. Notice of valuation - legislative declaration - repeal.**

5 (1.5) (b) Notwithstanding ~~paragraph (a) of this subsection (1.5)~~  
6 SUBSECTION (1.5)(a) OF THIS SECTION, for taxable REAL PROPERTY AND  
7 personal property on oil and gas leaseholds or lands for which the  
8 operator has filed the statement required by section 39-7-101 (1), the  
9 assessor shall send the notice of valuation only to the operator, who shall  
10 accept it. The acceptance of the notice of valuation by the operator shall  
11 not be construed as an indication that the operator agrees with the amount  
12 of the actual value of the property stated in the notice or as obligating the  
13 operator to pay the tax attributable to property in which the operator has  
14 no ownership interest. Upon the written request of the county treasurer,  
15 the operator shall submit to the treasurer a written statement containing  
16 the name and address of each person who has an ownership interest in the  
17 property. If the operator fails to submit the statement within thirty days  
18 after receiving the request, the operator shall pay a penalty to the treasurer  
19 in the amount of one hundred dollars or the amount of tax due on the  
20 property, whichever is less.

1           **SECTION 2.** In Colorado Revised Statutes, **add** 39-7-110 as  
2 follows:

3           **39-7-110. Oil and gas operator - definition.** (1) AS USED IN THIS  
4 ARTICLE 7, "WELL OR UNIT OPERATOR" MEANS THE OPERATOR OF EACH  
5 WELLSITE OR, IF THERE IS NO OPERATOR, THE OWNER WHO FILED THE  
6 STATEMENT WITH THE ASSESSOR PURSUANT TO SECTION 39-7-101.

7           (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE  
8 PARTIAL INTERESTS OF OIL AND GAS FRACTIONAL INTEREST OWNERS ARE  
9 NOT SUBJECT TO SEPARATE VALUATION BY THE ASSESSOR AND SHALL BE  
10 REPRESENTED BY THE WELL OR UNIT OPERATOR OF EACH WELLSITE. THE  
11 WELL OR UNIT OPERATOR IS THE SOLE POINT OF CONTACT FOR ALL  
12 NOTIFICATION, REVIEW, AUDIT, PROTEST, ABATEMENT, AND APPEAL  
13 PROCEDURES.

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