

CHAPTER 365

NATURAL RESOURCES

SENATE BILL 07-198

BY SENATOR(S) Isgar, Fitz-Gerald, Kester, Penry, Schwartz, Taylor, and Shaffer;
also REPRESENTATIVE(S) Roberts, Curry, King, Looper, and White.

AN ACT

**CONCERNING THE FUNDING OF PROJECTS TO MONITOR THE SEEPAGE OF COALBED METHANE GAS, AND
MAKING AN APPROPRIATION IN CONNECTION THEREWITH.**

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

SECTION 1. Article 60 of title 34, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

34-60-129. Coalbed methane seepage - fund created - repeal. (1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE COALBED METHANE SEEPAGE CASH FUND, REFERRED TO IN THIS SECTION AS THE "FUND". THE FUND SHALL CONSIST OF MONEYS APPROPRIATED THERETO BY THE GENERAL ASSEMBLY FROM THE OIL AND GAS CONSERVATION AND ENVIRONMENTAL RESPONSE FUND PURSUANT TO SECTION 34-60-124 (4) (c). THE MONEYS IN THE FUND ARE CONTINUOUSLY APPROPRIATED TO THE COMMISSION FOR THE PURPOSES DESCRIBED IN SUBSECTION (3) OF THIS SECTION. ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. EXCEPT AS OTHERWISE REQUIRED BY SUBSECTION (4) OF THIS SECTION, ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE FUND.

(2) FOR THE THREE CONSECUTIVE FISCAL YEARS BEGINNING WITH THE FISCAL YEAR COMMENCING JULY 1, 2007, THE GENERAL ASSEMBLY SHALL MAKE THE FOLLOWING APPROPRIATIONS TO THE FUND:

(a) FOR THE FISCAL YEAR COMMENCING JULY 1, 2007, AN AMOUNT NOT TO EXCEED TWO MILLION THREE THOUSAND FOUR HUNDRED DOLLARS;

(b) FOR THE FISCAL YEAR COMMENCING JULY 1, 2008, AN AMOUNT NOT TO

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

EXCEED TWO MILLION THREE THOUSAND FOUR HUNDRED DOLLARS; AND

(c) FOR THE FISCAL YEAR COMMENCING JULY 1, 2009, AN AMOUNT NOT TO EXCEED FOUR HUNDRED FORTY-FIVE THOUSAND TWO HUNDRED DOLLARS.

(3) (a) BETWEEN JULY 1, 2007, AND JUNE 30, 2010, THE COMMISSION MAY USE THE MONEYS IN THE FUND TO CONDUCT A PROJECT TO DETERMINE THE MOST COST-EFFECTIVE METHODS OF MITIGATING THE SEEPAGE OF METHANE GAS ALONG THE OUTCROP OF THE FRUITLAND FORMATION IN LA PLATA COUNTY.

(b) BETWEEN JULY 1, 2007, AND JUNE 30, 2010, THE COMMISSION MAY USE THE MONEYS IN THE FUND TO INSTALL WELLS TO MONITOR THE SEEPAGE OF METHANE GAS IN THE FRUITLAND FORMATION IN ARCHULETA COUNTY.

(4) ON JUNE 30, 2010, THE STATE TREASURER SHALL TRANSFER ANY MONEYS REMAINING IN THE FUND TO THE FUND FROM WHICH THE MONEYS WERE APPROPRIATED.

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2010.

SECTION 2. The introductory portion to 34-60-124 (4), Colorado Revised Statutes, is amended, and the said 34-60-124 (4) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

34-60-124. Oil and gas conservation and environmental response. (4) The OIL AND GAS CONSERVATION AND ENVIRONMENTAL RESPONSE fund may be expended:

(c) FOR THE PURPOSES AUTHORIZED BY SECTION 34-60-129.

SECTION 3. Appropriation. In addition to any other appropriation, for the fiscal year beginning July 1, 2007, there is hereby appropriated out of any moneys in the oil and gas conservation and environmental response fund created in section 34-60-122 (5), Colorado Revised Statutes, not otherwise appropriated, to the coalbed methane seepage cash fund created in section 34-60-129, Colorado Revised Statutes, the sum of two million three thousand four hundred dollars (\$2,003,400), or so much thereof as may be necessary, to be used for purposes consistent with the creation of the fund.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 31, 2007