

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

**REVISED**

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

LLS NO. 23-0772.01 Richard Sweetman x4333

**SENATE BILL 23-186**

**SENATE SPONSORSHIP**

**Pelton R. and Winter F.**, Bridges, Buckner, Coleman, Cutter, Danielson, Exum, Fields, Hansen, Hinrichsen, Jaquez Lewis, Marchman, Priola, Will

**HOUSE SPONSORSHIP**

**Winter T. and Willford,**

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**Senate Committees**

Transportation & Energy  
Appropriations

**House Committees**

Energy & Environment  
Appropriations

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**A BILL FOR AN ACT**

101      **CONCERNING METHANE SEEPAGE IN THE RATON BASIN OF COLORADO,**  
102                    **AND, IN CONNECTION THEREWITH, REQUIRING THE COLORADO**  
103                    **OIL AND GAS CONSERVATION COMMISSION TO COMPLETE A**  
104                    **STUDY AND MAKING AN APPROPRIATION.**

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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>.)*

The bill requires the Colorado oil and gas conservation commission (commission), in consultation with local governments, to perform a study that:

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

HOUSE  
Amended 2nd Reading  
May 4, 2023

SENATE  
3rd Reading Unamended  
April 10, 2023

SENATE  
Amended 2nd Reading  
April 6, 2023

- Recognizes best management practices for capturing methane seepage in the Raton basin;
- Confirms the high quality of water resulting from such methane capture operations; and
- Confirms the high potential to preserve and make beneficial use of such water.

The commission must complete the study and submit it to legislative committees of reference by December 1, 2023.

The bill also requires the commission to implement a regulatory category for methane recovery in the Raton basin, which category includes consideration of enforcement, financial assurance, flow lines, forms, operator guidance, orphan well programs, rules, and policies and allows for beneficial uses deemed prudent by local governments.

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

2                 

3           **SECTION 1.** In Colorado Revised Statutes, **add 34-60-134**       

4 as follows:

5           **34-60-134. Methane seepage in Raton basin - study of best**

6 **management practices and water quality required - repeal.** (1) **THE**

7 COMMISSION AND THE WATER QUALITY CONTROL DIVISION IN THE

8 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, IN CONSULTATION

9 WITH LOCAL GOVERNMENTS, SHALL PERFORM A STUDY THAT:

10           (a) IDENTIFIES BEST MANAGEMENT PRACTICES FOR CAPTURING  
11 METHANE SEEPAGE IN THE RATON BASIN OF SOUTHERN COLORADO;

12           (b) EVALUATES THE QUALITY OF WATER RESULTING FROM SUCH  
13 METHANE CAPTURE OPERATIONS; AND

14           (c) EVALUATES THE POTENTIAL TO PRESERVE AND MAKE  
15 BENEFICIAL USE OF SUCH WATER.

16           (2) THE PRIMARY OBJECTIVES OF THE STUDY DESCRIBED IN  
17 SUBSECTION (1) OF THIS SECTION ARE TO:

18           (a) PROACTIVELY AND SYSTEMATICALLY LOCATE AND SURVEY

1 METHANE GAS SEEPAGE IN THE RATON BASIN;  
2 (b) DOCUMENT PREVIOUS AREAS OF SEEPAGE;  
3 (c) CALCULATE ANY DIFFERENCES IN SEEPAGE AMOUNTS; AND  
4 (d) ASSESS THE POTENTIAL FOR METHANE TO CREATE HAZARDOUS  
5 CONDITIONS.  
6 (3) THE STUDY DESCRIBED IN SUBSECTION (1) OF THIS SECTION  
7 MUST INCLUDE:  
8 (a) A [REDACTED] SURVEY TO IDENTIFY SUSPECTED SEEPAGE AREAS,  
9 PREVIOUS SEEPAGE AREAS, AND INCREASES OR DECREASES IN SEEPAGE;  
10 (b) DETAILED MAPPING OF SUSPECTED SEEPAGE AREAS;  
11 (c) SAMPLING AND ANALYSIS OF GAS COLLECTED FROM SELECTED  
12 SEEPAGE AREAS; AND  
13 (d) SAMPLING AND ANALYSIS OF WATER FROM SELECTED WATER  
14 WELLS AND METHANE CAPTURE WELLS IN THE RATON BASIN.  
15 (4) IN PERFORMING THE STUDY DESCRIBED IN SUBSECTION (1) OF  
16 THIS SECTION, THE COMMISSION AND THE WATER QUALITY CONTROL  
17 DIVISION SHALL COORDINATE WITH:  
18 (a) THE COLORADO ENERGY OFFICE CREATED IN SECTION  
19 24-38.5-101;  
20 (b) THE DIVISION OF WATER RESOURCES CREATED IN THE  
21 DEPARTMENT OF NATURAL RESOURCES PURSUANT TO SECTION 24-1-124;  
22 (c) THE DIVISION OF MINING, RECLAMATION, AND SAFETY IN THE  
23 DEPARTMENT OF NATURAL RESOURCES PURSUANT TO SECTION 34-20-103;  
24 (d) THE DIVISION OF PARKS AND WILDLIFE CREATED IN THE  
25 DEPARTMENT OF NATURAL RESOURCES PURSUANT TO SECTION 33-9-104;  
26 AND  
27 (e) THE [REDACTED] BOARDS OF COUNTY COMMISSIONERS IN LAS ANIMAS AND

1 HUERFANO COUNTIES.

2 (5) THE COMMISSION, IN CONSULTATION WITH LOCAL  
3 GOVERNMENTS, SHALL COMPLETE THE STUDY DESCRIBED IN SUBSECTION  
4 (1) OF THIS SECTION AND SUBMIT THE STUDY TO THE AGRICULTURE,  
5 WATER, AND NATURAL RESOURCES COMMITTEE OF THE HOUSE OF  
6 REPRESENTATIVES AND THE AGRICULTURE AND NATURAL RESOURCES  
7 COMMITTEE OF THE SENATE, OR TO ANY SUCCESSOR COMMITTEES, ON OR  
8 BEFORE JUNE 30, 2025.

9 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

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11 **SECTION 2. Appropriation.** (1) For the 2023-24 state fiscal  
12 year, \$558,500 is appropriated to the department of natural resources for  
13 use by the oil and gas conservation commission. This appropriation is  
14 from the oil and gas conservation and environmental response fund  
15 created in section 34-60-122 (5), C.R.S. To implement this act, the  
16 commission may use this appropriation for program costs.

17 (2) For the 2023-24 state fiscal year, \$85,361 is appropriated to  
18 the department of public health and environment. This appropriation is  
19 from the general fund and is based on an assumption that the department  
20 will require an additional 0.2 FTE. To implement this act, the department  
21 may use this appropriation for clean water program costs.

22 **SECTION 3. Act subject to petition - effective date.** This act  
23 takes effect at 12:01 a.m. on the day following the expiration of the  
24 ninety-day period after final adjournment of the general assembly; except  
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
26 of the state constitution against this act or an item, section, or part of this  
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in  
2 November 2024 and, in such case, will take effect on the date of the  
3 official declaration of the vote thereon by the governor.