

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

March 23, 2023
Date

Committee on Energy & Environment.

After consideration on the merits, the Committee recommends the following:

HB23-1242 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1.** In Colorado Revised Statutes, **add** 34-60-134 and
4 34-60-135 as follows:

5 **34-60-134. Reporting of water used in oil and gas operations**
6 **- cumulative reporting - definitions - rules - repeal. (1) Definitions.**
7 AS USED IN THIS SECTION AND IN SECTION 34-60-135, UNLESS THE
8 CONTEXT OTHERWISE REQUIRES:

9 (a) "CONSORTIUM" MEANS THE COLORADO PRODUCED WATER
10 CONSORTIUM CREATED IN SECTION 34-60-135 (2)(a).

11 (b) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
12 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

13 (c) (I) "PRODUCED WATER" MEANS WATER, INCLUDING THE
14 WATER'S MINERAL AND CHEMICAL COMPONENTS, IN OR INTRODUCED TO A
15 GEOLOGICAL FORMATION, THAT IS COPRODUCED WITH OIL OR NATURAL
16 GAS.

17 (II) "PRODUCED WATER" INCLUDES FLOWBACK WATER, EXCLUDING
18 PROPPANTS RETURNED TO THE SURFACE.

19 (d) "RECYCLED OR REUSED PRODUCED WATER" MEANS PRODUCED
20 WATER THAT IS RECONDITIONED INTO A REUSABLE FORM OR THAT IS
21 REUSED WITHOUT RECONDITIONING.

22 (2) **Well reporting - rules.** BEGINNING SEPTEMBER 1, 2023,
23 OPERATORS SHALL REPORT TO THE COMMISSION ON A MONTHLY BASIS, IN
24 A MANNER THAT PROVIDES FOR CONCURRENT REPORTING WITH REQUIRED
25 PRODUCTION REPORTING, FOR EACH OIL AND GAS WELL:

26 (a) THE VOLUME, EXPRESSED IN BARRELS, OF ALL FRESH WATER
27 USED DOWNHOLE;

1 (b) THE VOLUME, EXPRESSED IN BARRELS, OF ALL RECYCLED OR
2 REUSED PRODUCED WATER USED DOWNHOLE;

3 (c) THE VOLUME, EXPRESSED IN BARRELS, OF ALL PRODUCED
4 WATER THAT IS PRODUCED FROM THE WELL AND REMOVED FROM THE OIL
5 AND GAS LOCATION FOR DISPOSAL, INCLUDING:

6 (I) THE DISPOSAL METHOD, AS DEFINED BY THE COMMISSION BY
7 RULE; AND

8 (II) THE DISPOSAL LOCATION, INCLUDING FACILITY
9 IDENTIFICATION, IF APPLICABLE; AND

10 (d) THE VOLUME, EXPRESSED IN BARRELS, OF ALL PRODUCED
11 WATER THAT IS PRODUCED FROM THE WELL AND:

12 (I) RECYCLED OR REUSED IN ANOTHER WELL AT THE SAME OIL AND
13 GAS LOCATION; AND

14 (II) REMOVED FROM THE OIL AND GAS LOCATION FOR RECYCLING
15 OR REUSE IN OIL AND GAS OPERATIONS AT A DIFFERENT OIL AND GAS
16 LOCATION, INCLUDING FOR USE BY ANOTHER OPERATOR.

17 (3) **Oil and gas location reporting - rules.** (a) BEGINNING
18 JANUARY 1, 2024, AN OPERATOR SHALL REPORT TO THE COMMISSION, ON
19 A QUARTERLY BASIS, FOR EACH OIL AND GAS LOCATION AT WHICH THE
20 OPERATOR CONDUCTED OIL AND GAS OPERATIONS IN THE PREVIOUS
21 REPORTING PERIOD:

22 (I) THE VOLUME, EXPRESSED IN BARRELS, AND SOURCE OF ALL
23 FRESH WATER PURCHASED OR OTHERWISE ACQUIRED FOR USE IN OIL AND
24 GAS OPERATIONS AT THE OIL AND GAS LOCATION;

25 (II) THE VOLUME, EXPRESSED IN BARRELS, AND SOURCE OF ALL
26 RECYCLED OR REUSED WATER USED IN OIL AND GAS OPERATIONS AT THE
27 OIL AND GAS LOCATION;

28 (III) THE VOLUME, EXPRESSED IN BARRELS, OF ALL PRODUCED
29 WATER DISPOSED OF FROM THE OIL AND GAS LOCATION, INCLUDING:

30 (A) THE DISPOSAL METHOD, AS DEFINED BY THE COMMISSION BY
31 RULE; AND

32 (B) THE DISPOSAL LOCATION, INCLUDING FACILITY
33 IDENTIFICATION, IF APPLICABLE;

34 (IV) THE VOLUME, EXPRESSED IN BARRELS, OF ALL PRODUCED
35 WATER THAT IS REMOVED FROM THE OIL AND GAS LOCATION FOR
36 RECYCLING OR REUSE IN OIL AND GAS OPERATIONS, INCLUDING BY
37 ANOTHER OIL AND GAS OPERATOR; AND

38 (V) THE TOTAL VOLUME, EXPRESSED IN BARRELS, OF ALL WATER
39 PRODUCED FROM ALL WELLS AT THE OIL AND GAS LOCATION IN EACH
40 MONTH OF THE REPORTING PERIOD.

41 (b) AN OPERATOR SHALL:

42 (I) FILE THE REPORT REQUIRED UNDER SUBSECTION (3)(a) OF THIS
43 SECTION NO LATER THAN FORTY-FIVE DAYS AFTER THE END OF THE

1 PREVIOUS CALENDAR QUARTER; AND
2 (II) INCLUDE IN EACH REPORT FILED PURSUANT TO SUBSECTION
3 (3)(a) OF THIS SECTION THE TOTAL AMOUNTS OF ALL FRESH WATER,
4 PRODUCED WATER, AND RECYCLED OR REUSED PRODUCED WATER
5 MANAGED AT THE OIL AND GAS LOCATION FOR ANY PURPOSE.
6 INFORMATION REPORTED UNDER THIS SUBSECTION (3)(b)(II) DOES NOT
7 INCLUDE STORM WATER.
8 (4) **Scope of report - operational lifetime of a well.** AN
9 OPERATOR'S PRODUCED WATER REPORTS DESCRIBED IN SUBSECTIONS (2)
10 AND (3) OF THIS SECTION MUST DESCRIBE ALL WATER PRODUCED OR USED
11 THROUGHOUT THE OPERATIONAL LIFETIME OF A WELL, BEGINNING WITH
12 SITE CONSTRUCTION, DRILLING, COMPLETION, STIMULATION AND
13 PRODUCTION OPERATIONS, ASSOCIATED PLUGGING AND ABANDONMENT,
14 FACILITY DECOMMISSIONING, REMEDIATION, AND RECLAMATION.
15 (5) **Rules.** (a) FOR THE PURPOSE OF COLLECTING THE DATA
16 REQUIRED BY SUBSECTIONS (2) AND (3) OF THIS SECTION, THE COMMISSION
17 MAY ADOPT RULES AUTHORIZING OPERATORS TO INCLUDE INFORMATION
18 IN THEIR REPORTS THAT IS NOT OTHERWISE REPORTED PURSUANT TO
19 EXISTING COMMISSION RULES.
20 (b) THE COMMISSION SHALL NOT ADOPT A RULE DESIGNATING THE
21 DATA REQUIRED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION AS
22 CONFIDENTIAL INFORMATION THAT AN OPERATOR MAY REDACT WHEN
23 REPORTING THE INFORMATION TO THE COMMISSION.
24 (c) (I) ON OR BEFORE JULY 1, 2024, THE COMMISSION SHALL
25 ADOPT RULES TO REQUIRE A STATEWIDE REDUCTION IN FRESH WATER
26 USAGE, AND A CORRESPONDING INCREASE IN USAGE OF RECYCLED OR
27 REUSED PRODUCED WATER, AT OIL AND GAS LOCATIONS.
28 (II) IN ADOPTING RULES PURSUANT TO SUBSECTION (5)(c)(I) OF
29 THIS SECTION, THE COMMISSION SHALL CONSIDER:
30 (A) THE DATA IN REPORTS FILED WITH THE COMMISSION PURSUANT
31 TO SUBSECTIONS (2) AND (3) OF THIS SECTION; AND
32 (B) RECOMMENDATIONS THAT THE CONSORTIUM DEVELOPS.
33 (d) THE RULES ADOPTED PURSUANT TO THIS SUBSECTION (5) MUST
34 INCLUDE:
35 (I) REQUIREMENTS FOR NEW OIL AND GAS DEVELOPMENT PLANS
36 AND SUBSTANTIAL MODIFICATIONS TO PREVIOUSLY APPROVED PERMITS TO
37 INCLUDE A PLAN SPECIFYING THE METHODS AND LOCATIONS FOR
38 TREATMENT OF THE PRODUCED WATER, QUANTIFYING RECYCLED OR
39 REUSED PRODUCED WATER USED IN PLACE OF FRESH WATER, DESCRIBING
40 EMISSION CONTROLS ASSOCIATED WITH PRODUCED WATER TREATMENT,
41 AND INCLUDING ANY OTHER REQUIREMENTS THE COMMISSION
42 DETERMINES ARE NECESSARY FOR IMPLEMENTATION OF THIS SECTION;
43 (II) A PROHIBITION AGAINST PLACEMENT OF A NEW CENTRALIZED

1 PRODUCED WATER STORAGE OR TREATMENT FACILITY IN A
2 DISPROPORTIONATELY IMPACTED COMMUNITY;

3 (III) A REQUIREMENT THAT AN OPERATOR QUANTIFY AND REPORT,
4 FOR EACH OIL AND GAS LOCATION, THE VEHICLE MILES TRAVELED IN
5 RELATION TO FRESH WATER AND PRODUCED WATER MANAGEMENT,
6 INCLUDING VEHICLE MILES TRAVELED FOR THE RECYCLING AND REUSE OF
7 PRODUCED WATER.

8 (e) THE RULES ADOPTED PURSUANT TO SUBSECTION (5)(c) OF THIS
9 SECTION:

10 (I) MUST:

11 (A) REQUIRE FOR EACH OIL AND GAS PRODUCTION BASIN AN
12 ITERATIVE AND CONSISTENT INCREASE IN THE USE OF RECYCLED OR
13 REUSED PRODUCED WATER WITHOUT INCREASING EMISSIONS ASSOCIATED
14 WITH OIL AND GAS OPERATIONS; AND

15 (B) ESTABLISH DATES BY WHICH, FOR ALL WATER USED IN
16 HYDRAULIC FRACTURING OPERATIONS IN THE STATE, STATEWIDE TARGETS
17 FOR USAGE OF RECYCLED OR REUSED PRODUCED WATER MUST BE MET,
18 WITH A TARGET OF AT LEAST NINETY PERCENT BY 2030, UNLESS AT LEAST
19 TWO-THIRDS OF THE MEMBERS OF THE CONSORTIUM DETERMINE THAT IT
20 WOULD NOT BE FEASIBLE TO MEET THAT TARGET BY 2030; AND

21 (II) MAY INCLUDE OIL-AND-GAS-BASIN-SPECIFIC BENCHMARKS TO
22 COMPLY WITH THE REQUIREMENTS ESTABLISHED BY RULE PURSUANT TO
23 SUBSECTION (5)(e)(I) OF THIS SECTION.

24 (6) **Cumulative impacts reporting.** THE COMMISSION SHALL
25 INCLUDE IN ITS ANNUAL REPORTING ON CUMULATIVE IMPACTS OF OIL AND
26 GAS OPERATIONS IN THE STATE INFORMATION REPORTED PURSUANT TO
27 THIS SECTION.

28 (7) (a) ON OR BEFORE MARCH 31, 2025, THE COMMISSION SHALL
29 SUBMIT A REPORT TO THE HOUSE OF REPRESENTATIVES ENERGY AND
30 ENVIRONMENT COMMITTEE AND THE SENATE TRANSPORTATION AND
31 ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, SUMMARIZING
32 THE REPORTS DEVELOPED PURSUANT TO THIS SECTION.

33 (b) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE JULY 1, 2025.

34 **34-60-135. Colorado produced water consortium - created -**
35 **membership - recommendations - definitions.** (1) (a) AS USED IN THIS
36 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

37 (I) "BENEFICIAL USE" HAS THE MEANING SET FORTH IN SECTION
38 37-92-103 (4).

39 (II) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL
40 RESOURCES.

41 (III) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
42 THE DEPARTMENT.

43 (IV) "GOVERNING BODY" MEANS THE GOVERNING BODY OF THE

1 CONSORTIUM APPOINTED PURSUANT TO SUBSECTION (3)(a) OF THIS
2 SECTION TO APPOINT MEMBERS OF THE CONSORTIUM.

3 (V) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE
4 CITY, CITY AND COUNTY, OR COUNTY.

5 (VI) "NONTRIBUTARY GROUNDWATER" HAS THE MEANING SET
6 FORTH IN SECTION 37-90-103 (10.5).

7 (VII) "STATE INSTITUTION OF HIGHER EDUCATION" HAS THE
8 MEANING SET FORTH IN SECTION 23-18-102 (10).

9 (VIII) "WATER RIGHT" HAS THE MEANING SET FORTH IN SECTION
10 37-92-103 (12).

11 (b) DEFINITIONS IN SECTION 34-60-134 (1) APPLY TO TERMS AS
12 THEY ARE USED IN THIS SECTION.

13 (2) (a) THERE IS CREATED IN THE DEPARTMENT THE COLORADO
14 PRODUCED WATER CONSORTIUM TO RECOMMEND AN INFORMED PATH FOR
15 THE RECYCLING AND REUSE OF PRODUCED WATER WITHIN, AND
16 POTENTIALLY OUTSIDE OF, OIL AND GAS LOCATIONS IN THE STATE AND
17 MEASURES TO ADDRESS BARRIERS ASSOCIATED WITH THE UTILIZATION OF
18 PRODUCED WATER.

19 (b) THE PRIMARY GOAL OF THE CONSORTIUM IS TO HELP REDUCE
20 THE CONSUMPTION OF FRESH WATER WITHIN OIL AND GAS OPERATIONS.
21 THE CONSORTIUM SHALL BRING TOGETHER THE FOLLOWING GROUPS TO
22 COLLABORATE ON WORKING TOWARD THAT GOAL:

23 (I) STATE AND FEDERAL AGENCIES;
24 (II) RESEARCH INSTITUTIONS;
25 (III) STATE INSTITUTIONS OF HIGHER EDUCATION;
26 (IV) AFFECTED AND INTERESTED NONGOVERNMENTAL
27 ORGANIZATIONS;
28 (V) LOCAL GOVERNMENTS;
29 (VI) AFFECTED INDUSTRIES; AND
30 (VII) OTHER INTERESTED PARTIES.

31 (3) (a) (I) A GOVERNING BODY OF THE CONSORTIUM SHALL MAKE
32 APPOINTMENTS TO THE CONSORTIUM IN ACCORDANCE WITH THIS
33 SUBSECTION (3). THE MEMBERS OF THE GOVERNING BODY ALSO SERVE AS
34 MEMBERS OF THE CONSORTIUM.

35 (II) THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S
36 DESIGNEE SHALL APPOINT THE FOLLOWING THREE INDIVIDUALS TO SERVE
37 AS THE GOVERNING BODY OF THE CONSORTIUM:

38 (A) ONE REPRESENTATIVE OF THE COMMISSION;
39 (B) ONE REPRESENTATIVE OF THE DIVISION OF WATER RESOURCES
40 IN THE DEPARTMENT; AND
41 (C) ONE REPRESENTATIVE FROM THE COLORADO DEPARTMENT OF
42 PUBLIC HEALTH AND ENVIRONMENT.

43 (III) THE GOVERNING BODY SHALL APPOINT THE FOLLOWING

1 TWENTY-SIX MEMBERS OF THE CONSORTIUM:
2 (A) FOUR REPRESENTATIVES FROM A STATE OR FEDERAL AGENCY
3 ASSOCIATED WITH THE REGULATION OF PRODUCED WATER, INCLUDING AT
4 LEAST ONE MEMBER FROM THE COLORADO DEPARTMENT OF PUBLIC
5 HEALTH AND ENVIRONMENT;
6 (B) FOUR REPRESENTATIVES FROM RESEARCH INSTITUTIONS OR
7 STATE INSTITUTIONS OF HIGHER EDUCATION WITH EXPERIENCE IN
8 PRODUCED WATER;
9 (C) FOUR REPRESENTATIVES FROM NONGOVERNMENTAL
10 ORGANIZATIONS THAT ENGAGE IN WORK AND ADVOCATE FOR POLICIES
11 RELATED TO PRODUCED WATER;
12 (D) FOUR REPRESENTATIVES FROM INDUSTRIES ASSOCIATED WITH
13 PRODUCED WATER;
14 (E) TWO REPRESENTATIVES WHO SERVE ON A GOVERNING BODY OF
15 A LOCAL GOVERNMENT;
16 (F) FOUR REPRESENTATIVES WITH EXPERTISE AND EXPERIENCE IN
17 PRODUCED WATER; AND
18 (G) FOUR REPRESENTATIVES SELECTED FOR THEIR
19 REPRESENTATION OF DISPROPORTIONATELY IMPACTED COMMUNITIES OR
20 THEIR EXPERTISE IN ENVIRONMENTAL JUSTICE AND INTEREST IN PRODUCED
21 WATER MANAGEMENT AS AN ISSUE FOR THE COMMUNITIES THEY
22 REPRESENT.
23 (b) ANY VACANCY IN MEMBERSHIP OF THE CONSORTIUM SHALL BE
24 FILLED AS SOON AS PRACTICABLE IN ACCORDANCE WITH THE APPOINTMENT
25 PROCESS SET FORTH IN SUBSECTION (3)(a)(III) OF THIS SECTION.
26 (c) (I) THE GOVERNING BODY SHALL CALL THE FIRST MEETING OF
27 THE CONSORTIUM, AT WHICH MEETING THE MEMBERS OF THE CONSORTIUM
28 SHALL ELECT A MEMBER TO SERVE AS CHAIR OF THE CONSORTIUM. THE
29 CHAIR OF THE CONSORTIUM SERVES FOR TWO YEARS, AND THE MEMBERS
30 OF THE CONSORTIUM ELECT A NEW CHAIR AS NEEDED.
31 (II) MEMBERS:
32 (A) SHALL BE REIMBURSED FOR ACTUAL AND NECESSARY
33 EXPENSES INCURRED WHILE PERFORMING OFFICIAL DUTIES, TOGETHER
34 WITH MILEAGE, AT THE RATE AT WHICH MEMBERS OF THE GENERAL
35 ASSEMBLY ARE REIMBURSED PURSUANT TO SECTION 2-2-317; AND
36 (B) RECEIVE A PER DIEM ALLOWANCE OF FIFTY DOLLARS FOR EACH
37 DAY SPENT IN ATTENDANCE AT A CONSORTIUM MEETING OR HEARING.
38 CONSORTIUM MEMBERS REPRESENTING DISPROPORTIONATELY IMPACTED
39 COMMUNITIES OR COMMUNITY GROUPS COMMITTED TO ADVANCING
40 ENVIRONMENTAL JUSTICE ARE ALSO ELIGIBLE TO RECEIVE HOURLY
41 COMPENSATION IN AN AMOUNT EQUAL TO THE STATE MINIMUM WAGE FOR
42 ATTENDANCE AT CONSORTIUM MEETINGS OR HEARINGS.
43 (d) THE EXECUTIVE DIRECTOR SHALL HIRE A DIRECTOR AND A

1 DIRECTOR OF RESEARCH TO ASSIST THE CONSORTIUM AS FOLLOWS:
2 (I) THE DIRECTOR OF THE CONSORTIUM SHALL PROVIDE
3 ADMINISTRATIVE SUPPORT; COORDINATE MEETINGS AND MEMBERSHIP;
4 WRITE GRANTS; PREPARE THE CONSORTIUM BUDGET; CONTRACT FOR
5 ANALYSES AND STUDIES; AND INTERACT WITH AND REPORT TO AGENCIES
6 AND THE GENERAL ASSEMBLY REGARDING POLICIES, RULE-MAKING
7 PROCEEDINGS, AND LEGISLATION REGARDING REUSE, RECYCLING, AND
8 BENEFICIAL USE OF PRODUCED WATER.
9 (II) THE DIRECTOR OF RESEARCH FOR THE CONSORTIUM SHALL
10 MANAGE ACADEMIC ANALYSES, RESEARCH, PILOT PROJECTS, AND CASE
11 STUDIES FOR THE CONSORTIUM.
12 (4) THE CONSORTIUM SHALL:
13 (a) PROVIDE RECOMMENDATIONS TO STATE AGENCIES AND THE
14 GENERAL ASSEMBLY AS FOLLOWS:
15 (I) ON OR BEFORE APRIL 15, 2024, HOW STATE AND FEDERAL
16 AGENCIES CAN BETTER COORDINATE REGULATORY POLICIES RELATED TO
17 PRODUCED WATER;
18 (II) ON OR BEFORE APRIL 15, 2024, TOPICS RELATED TO PRODUCED
19 WATER;
20 (III) ON OR BEFORE OCTOBER 31, 2024, ANY AGENCY RULES OR
21 LEGISLATION NEEDED TO REMOVE REGULATORY OR LEGAL BARRIERS TO
22 THE REUSE AND RECYCLING OF PRODUCED WATER IN THE STATE, TAKING
23 INTO CONSIDERATION ANY ENVIRONMENTAL JUSTICE ISSUES. THESE
24 BARRIERS MIGHT INCLUDE:
25 (A) ANY LEGAL ISSUES THAT MAY AFFECT THE RECYCLING AND
26 REUSE OF PRODUCED WATER;
27 (B) TESTING STANDARDS AND PROCEDURES FOR TREATMENT OF
28 PRODUCED WATER FOR BOTH CONVENTIONAL AND NONCONVENTIONAL OIL
29 AND GAS EXPLORATION AND DEVELOPMENT;
30 (C) RESEARCH GAPS ASSOCIATED WITH THE TREATMENT OF
31 PRODUCED WATER, INCLUDING GAPS IN ADDRESSING EMISSIONS FROM
32 PRODUCED WATER TREATMENT AND STORAGE;
33 (D) WATER SHARING AGREEMENTS; AND
34 (E) INFRASTRUCTURE AND STORAGE FOR PRODUCED WATER REUSE
35 AND RECYCLING, AND SPECIFICALLY INFRASTRUCTURE AND STORAGE FOR
36 ADDRESSING NEW OR EXISTING PITS.
37 (IV) ON OR BEFORE DECEMBER 31, 2024, SHORT- AND LONG-TERM
38 PRODUCED WATER REUSE AND RECYCLING GOALS FOR THE STATE AND
39 CONTEMPORANEOUS DECREASES IN FRESH WATER USE;
40 (b) PARTICIPATE IN RELEVANT STATE AGENCY RULE-MAKING
41 PROCEEDINGS REGARDING PRODUCED WATER;
42 (c) ON OR BEFORE JANUARY 1, 2024, DEVELOP GUIDANCE
43 DOCUMENTS AND CASE STUDIES TO PROMOTE BEST PRACTICES FOR

1 IN-FIELD RECYCLING AND REUSE OF PRODUCED WATER THROUGHOUT THE
2 STATE;

3 (d) ON OR BEFORE MARCH 1, 2024, BASED ON DATA REPORTED
4 UNDER SECTION 34-60-134, ANALYZE AND REPORT ON CURRENT
5 PRODUCED WATER INFRASTRUCTURE, STORAGE, AND TREATMENT
6 FACILITIES WITHIN THE DIFFERENT OIL AND GAS PRODUCTION BASINS IN
7 THE STATE, WITH SPECIFIC EMPHASIS ON OPPORTUNITIES WITHIN THE
8 DENVER-JULESBURG OIL AND GAS PRODUCTION BASIN;

9 (e) ON OR BEFORE MARCH 1, 2024, ANALYZE AND REPORT ON THE
10 VOLUME OF PRODUCED WATER PRODUCED IN THE DIFFERENT OIL AND GAS
11 PRODUCTION BASINS AVAILABLE FOR REUSE AND RECYCLING IN
12 COMPARISON TO THE TOTAL VOLUME OF WATER NECESSARY FOR
13 COMPLETION ACTIVITIES IN NEW OIL AND GAS OPERATIONS;

14 (f) ON OR BEFORE APRIL 15, 2024, ANALYZE AND REPORT ON THE
15 INFRASTRUCTURE, STORAGE, AND TECHNOLOGY NECESSARY TO ACHIEVE
16 DIFFERENT LEVELS OF RECYCLING AND REUSE OF PRODUCED WATER IN OIL
17 AND GAS PRODUCTION BASINS THROUGHOUT THE STATE, WITH SPECIFIC
18 EMPHASIS ON OPPORTUNITIES WITHIN THE DENVER-JULESBURG OIL AND
19 GAS PRODUCTION BASIN;

20 (g) ON OR BEFORE JULY 1, 2025, EVALUATE ANALYTICAL AND
21 TOXICOLOGICAL METHODS EMPLOYED DURING PRODUCED WATER
22 TREATMENT AND ASSESS TOOLS USED TO EVALUATE PRODUCED WATER
23 AND ITS POTENTIAL FOR USE OUTSIDE THE OIL FIELD; AND

24 (h) BEGINNING IN THE 2024 LEGISLATIVE SESSION AND ANNUALLY
25 THEREAFTER, AND NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I),
26 THROUGH THE DIRECTOR OF THE CONSORTIUM, UPDATE THE HOUSE OF
27 REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE AND THE
28 SENATE TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR SUCCESSOR
29 COMMITTEES, ON THE CONSORTIUM'S WORK PURSUANT TO THIS SECTION.

30 (5) (a) ON OR BEFORE JULY 1, 2023, THE GOVERNING BODY AND
31 MEMBERSHIP OF THE CONSORTIUM SHALL BE APPOINTED PURSUANT TO
32 SUBSECTION (3) OF THIS SECTION.

33 (b) THE CONSORTIUM SHALL MEET ON A MONTHLY BASIS DURING
34 THE CONSORTIUM'S FIRST YEAR AND ON A QUARTERLY BASIS IN
35 SUBSEQUENT YEARS, OR MORE OFTEN IF NEEDED AS DETERMINED BY THE
36 CHAIR OF THE CONSORTIUM.

37 **SECTION 2. Safety clause.** The general assembly hereby finds,
38 determines, and declares that this act is necessary for the immediate
39 preservation of the public peace, health, or safety."

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