

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0205.01 Jennifer Berman x3286

**HOUSE BILL 23-1242**

---

**HOUSE SPONSORSHIP**

**Boesenecker and Joseph,**

**SENATE SPONSORSHIP**

**Cutter,**

---

**House Committees**

Energy & Environment  
Appropriations

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING WATER USED IN OIL AND GAS OPERATIONS, AND, IN**  
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

---

**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 an oil and gas operator in the state (operator), on or before January 31, 2024, and at least annually thereafter, to report information to the Colorado oil and gas conservation commission (commission) regarding the operator's use of water entering, utilized at, or exiting each of the operator's oil and gas locations.

The bill also requires the commission to adopt rules requiring 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.*

- When issuing an operator a new or renewed oil and gas permit on or after June 1, 2024, the commission include as a condition of the permit a requirement that the operator use a decreasing percentage of fresh water and a corresponding increasing percentage of recycled or reused water in the operator's oil and gas operations; and
- Each oil and gas operator, on and after January 1, 2024, report on a monthly basis to the commission about the daily vehicle miles traveled for any trucks hauling water to, within, or from the operator's oil and gas operations in the state.

From the information reported to the commission under the bill, the commission is required to:

- Include the information as part of the commission's annual reporting on cumulative impacts of oil and gas operations;
- Report to the division of administration (division) in the department of public health and environment, on a per-incident basis, any indication of technologically enhanced naturally occurring radioactive material or PFAS chemicals present in produced water; and
- On a quarterly basis, submit a cumulative report to the division and the department of transportation on reported vehicle miles traveled and public roads traveled.

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

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

4 **34-60-134. Reporting of water used in oil and gas operations**

5 **- cumulative reporting - definitions - rules - repeal. (1) Definitions.**

6 AS USED IN THIS SECTION AND IN SECTION 34-60-135, UNLESS THE  
 7 CONTEXT OTHERWISE REQUIRES:

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

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

12 (c) (I) "PRODUCED WATER" MEANS WATER, INCLUDING THE

1 WATER'S MINERAL AND CHEMICAL COMPONENTS, IN OR INTRODUCED TO A  
2 GEOLOGICAL FORMATION, THAT IS COPRODUCED WITH OIL OR NATURAL  
3 GAS.

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

6 (d) "RECYCLED OR REUSED PRODUCED WATER" MEANS PRODUCED  
7 WATER THAT IS RECONDITIONED INTO A REUSABLE FORM OR THAT IS  
8 REUSED WITHOUT RECONDITIONING.

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

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

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

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

20 (I) THE DISPOSAL METHOD, AS DEFINED BY THE COMMISSION BY  
21 RULE; AND

22 (II) THE DISPOSAL LOCATION, INCLUDING FACILITY  
23 IDENTIFICATION, IF APPLICABLE; AND

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

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

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

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

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

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

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

17 (A) THE DISPOSAL METHOD, AS DEFINED BY THE COMMISSION BY  
18 RULE; AND

19 (B) THE DISPOSAL LOCATION, INCLUDING FACILITY  
20 IDENTIFICATION, IF APPLICABLE;

21 (IV) THE VOLUME, EXPRESSED IN BARRELS, OF ALL PRODUCED  
22 WATER THAT IS REMOVED FROM THE OIL AND GAS LOCATION FOR  
23 RECYCLING OR REUSE IN OIL AND GAS OPERATIONS, INCLUDING BY  
24 ANOTHER OIL AND GAS OPERATOR; AND

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

1 (b) AN OPERATOR SHALL:

2 (I) FILE THE REPORT REQUIRED UNDER SUBSECTION (3)(a) OF THIS  
3 SECTION NO LATER THAN FORTY-FIVE DAYS AFTER THE END OF THE  
4 PREVIOUS CALENDAR QUARTER; AND

5 (II) INCLUDE IN EACH REPORT FILED PURSUANT TO SUBSECTION  
6 (3)(a) OF THIS SECTION THE TOTAL AMOUNTS OF ALL FRESH WATER,  
7 PRODUCED WATER, AND RECYCLED OR REUSED PRODUCED WATER  
8 MANAGED AT THE OIL AND GAS LOCATION FOR ANY PURPOSE.  
9 INFORMATION REPORTED UNDER THIS SUBSECTION (3)(b)(II) DOES NOT  
10 INCLUDE STORM WATER.

11 (4) **Scope of report - operational lifetime of a well.** AN  
12 OPERATOR'S PRODUCED WATER REPORTS DESCRIBED IN SUBSECTIONS (2)  
13 AND (3) OF THIS SECTION MUST DESCRIBE ALL WATER PRODUCED OR USED  
14 THROUGHOUT THE OPERATIONAL LIFETIME OF A WELL, BEGINNING WITH  
15 SITE CONSTRUCTION, DRILLING, COMPLETION, STIMULATION AND  
16 PRODUCTION OPERATIONS, ASSOCIATED PLUGGING AND ABANDONMENT,  
17 FACILITY DECOMMISSIONING, REMEDIATION, AND RECLAMATION.

18 (5) **Rules.** (a) FOR THE PURPOSE OF COLLECTING THE DATA  
19 REQUIRED BY SUBSECTIONS (2) AND (3) OF THIS SECTION, THE COMMISSION  
20 MAY ADOPT RULES AUTHORIZING OPERATORS TO INCLUDE INFORMATION  
21 IN THEIR REPORTS THAT IS NOT OTHERWISE REPORTED PURSUANT TO  
22 EXISTING COMMISSION RULES.

23 (b) THE COMMISSION SHALL NOT ADOPT A RULE DESIGNATING THE  
24 DATA REQUIRED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION AS  
25 CONFIDENTIAL INFORMATION THAT AN OPERATOR MAY REDACT WHEN  
26 REPORTING THE INFORMATION TO THE COMMISSION.

27 (c) (I) ON OR BEFORE JULY 1, 2024, THE COMMISSION SHALL

1 ADOPT RULES TO REQUIRE A STATEWIDE REDUCTION IN FRESH WATER  
2 USAGE, AND A CORRESPONDING INCREASE IN USAGE OF RECYCLED OR  
3 REUSED PRODUCED WATER, AT OIL AND GAS LOCATIONS.

4 (II) IN ADOPTING RULES PURSUANT TO SUBSECTION (5)(c)(I) OF  
5 THIS SECTION, THE COMMISSION SHALL CONSIDER:

6 (A) THE DATA IN REPORTS FILED WITH THE COMMISSION PURSUANT  
7 TO SUBSECTIONS (2) AND (3) OF THIS SECTION; AND

8 (B) RECOMMENDATIONS THAT THE CONSORTIUM DEVELOPS.

9 (d) THE RULES ADOPTED PURSUANT TO THIS SUBSECTION (5) MUST  
10 INCLUDE:

11 (I) REQUIREMENTS FOR NEW OIL AND GAS DEVELOPMENT PLANS  
12 AND SUBSTANTIAL MODIFICATIONS TO PREVIOUSLY APPROVED PERMITS TO  
13 INCLUDE A PLAN SPECIFYING THE METHODS AND LOCATIONS FOR  
14 TREATMENT OF THE PRODUCED WATER, QUANTIFYING RECYCLED OR  
15 REUSED PRODUCED WATER USED IN PLACE OF FRESH WATER, DESCRIBING  
16 EMISSION CONTROLS ASSOCIATED WITH PRODUCED WATER TREATMENT,  
17 AND INCLUDING ANY OTHER REQUIREMENTS THE COMMISSION  
18 DETERMINES ARE NECESSARY FOR IMPLEMENTATION OF THIS SECTION;

19 (II) A PROHIBITION AGAINST PLACEMENT OF A NEW CENTRALIZED  
20 PRODUCED WATER STORAGE OR TREATMENT FACILITY IN A  
21 DISPROPORTIONATELY IMPACTED COMMUNITY;

22 (III) A REQUIREMENT THAT AN OPERATOR QUANTIFY AND REPORT,  
23 FOR EACH OIL AND GAS LOCATION, THE VEHICLE MILES TRAVELED IN  
24 RELATION TO FRESH WATER AND PRODUCED WATER MANAGEMENT,  
25 INCLUDING VEHICLE MILES TRAVELED FOR THE RECYCLING AND REUSE OF  
26 PRODUCED WATER.

27 (e) THE RULES ADOPTED PURSUANT TO SUBSECTION (5)(c) OF THIS

1 SECTION:

2 (I) MUST:

3 (A) REQUIRE FOR EACH OIL AND GAS PRODUCTION BASIN AN  
4 ITERATIVE AND CONSISTENT INCREASE IN THE USE OF RECYCLED OR  
5 REUSED PRODUCED WATER WITHOUT INCREASING EMISSIONS ASSOCIATED  
6 WITH OIL AND GAS OPERATIONS; AND

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

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

16 (6) **Cumulative impacts reporting.** THE COMMISSION SHALL  
17 INCLUDE IN ITS ANNUAL REPORTING ON CUMULATIVE IMPACTS OF OIL AND  
18 GAS OPERATIONS IN THE STATE INFORMATION REPORTED PURSUANT TO  
19 THIS SECTION.

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

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

26 **34-60-135. Colorado produced water consortium - created -**  
27 **membership - recommendations - definitions.** (1) (a) AS USED IN THIS

1 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

2 (I) "BENEFICIAL USE" HAS THE MEANING SET FORTH IN SECTION  
3 37-92-103 (4).

4 (II) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL  
5 RESOURCES.

6 (III) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF  
7 THE DEPARTMENT.

8 (IV) "GOVERNING BODY" MEANS THE GOVERNING BODY OF THE  
9 CONSORTIUM APPOINTED PURSUANT TO SUBSECTION (3)(a) OF THIS  
10 SECTION TO APPOINT MEMBERS OF THE CONSORTIUM.

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

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

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

17 (VIII) "WATER RIGHT" HAS THE MEANING SET FORTH IN SECTION  
18 37-92-103 (12).

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

21 (2) (a) THERE IS CREATED IN THE DEPARTMENT THE COLORADO  
22 PRODUCED WATER CONSORTIUM TO RECOMMEND AN INFORMED PATH FOR  
23 THE RECYCLING AND REUSE OF PRODUCED WATER WITHIN, AND  
24 POTENTIALLY OUTSIDE OF, OIL AND GAS LOCATIONS IN THE STATE AND  
25 MEASURES TO ADDRESS BARRIERS ASSOCIATED WITH THE UTILIZATION OF  
26 PRODUCED WATER.

27 (b) THE PRIMARY GOAL OF THE CONSORTIUM IS TO HELP REDUCE



1 THE CONSUMPTION OF FRESH WATER WITHIN OIL AND GAS OPERATIONS.  
2 THE CONSORTIUM SHALL BRING TOGETHER THE FOLLOWING GROUPS TO  
3 COLLABORATE ON WORKING TOWARD THAT GOAL:

- 4 (I) STATE AND FEDERAL AGENCIES;
- 5 (II) RESEARCH INSTITUTIONS;
- 6 (III) STATE INSTITUTIONS OF HIGHER EDUCATION;
- 7 (IV) AFFECTED AND INTERESTED NONGOVERNMENTAL  
8 ORGANIZATIONS;
- 9 (V) LOCAL GOVERNMENTS;
- 10 (VI) AFFECTED INDUSTRIES; AND
- 11 (VII) OTHER INTERESTED PARTIES.

12 (3) (a) (I) A GOVERNING BODY OF THE CONSORTIUM SHALL MAKE  
13 APPOINTMENTS TO THE CONSORTIUM IN ACCORDANCE WITH THIS  
14 SUBSECTION (3). THE MEMBERS OF THE GOVERNING BODY ALSO SERVE AS  
15 MEMBERS OF THE CONSORTIUM.

16 (II) THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S  
17 DESIGNEE SHALL APPOINT THE FOLLOWING THREE INDIVIDUALS TO SERVE  
18 AS THE GOVERNING BODY OF THE CONSORTIUM:

- 19 (A) ONE REPRESENTATIVE OF THE COMMISSION;
- 20 (B) ONE REPRESENTATIVE OF THE DIVISION OF WATER RESOURCES  
21 IN THE DEPARTMENT; AND
- 22 (C) ONE REPRESENTATIVE FROM THE COLORADO DEPARTMENT OF  
23 PUBLIC HEALTH AND ENVIRONMENT.

24 (III) THE GOVERNING BODY SHALL APPOINT THE FOLLOWING  
25 TWENTY-SIX MEMBERS OF THE CONSORTIUM:

- 26 (A) FOUR REPRESENTATIVES FROM A STATE OR FEDERAL AGENCY  
27 ASSOCIATED WITH THE REGULATION OF PRODUCED WATER, INCLUDING AT

1 LEAST ONE MEMBER FROM THE COLORADO DEPARTMENT OF PUBLIC  
2 HEALTH AND ENVIRONMENT;

3 (B) FOUR REPRESENTATIVES FROM RESEARCH INSTITUTIONS OR  
4 STATE INSTITUTIONS OF HIGHER EDUCATION WITH EXPERIENCE IN  
5 PRODUCED WATER;

6 (C) FOUR REPRESENTATIVES FROM NONGOVERNMENTAL  
7 ORGANIZATIONS THAT ENGAGE IN WORK AND ADVOCATE FOR POLICIES  
8 RELATED TO PRODUCED WATER;

9 (D) FOUR REPRESENTATIVES FROM INDUSTRIES ASSOCIATED WITH  
10 PRODUCED WATER;

11 (E) TWO REPRESENTATIVES WHO SERVE ON A GOVERNING BODY OF  
12 A LOCAL GOVERNMENT;

13 (F) FOUR REPRESENTATIVES WITH EXPERTISE AND EXPERIENCE IN  
14 PRODUCED WATER; AND

15 (G) FOUR REPRESENTATIVES SELECTED FOR THEIR  
16 REPRESENTATION OF DISPROPORTIONATELY IMPACTED COMMUNITIES OR  
17 THEIR EXPERTISE IN ENVIRONMENTAL JUSTICE AND INTEREST IN PRODUCED  
18 WATER MANAGEMENT AS AN ISSUE FOR THE COMMUNITIES THEY  
19 REPRESENT.

20 (b) ANY VACANCY IN MEMBERSHIP OF THE CONSORTIUM SHALL BE  
21 FILLED AS SOON AS PRACTICABLE IN ACCORDANCE WITH THE APPOINTMENT  
22 PROCESS SET FORTH IN SUBSECTION (3)(a)(III) OF THIS SECTION.

23 (c) (I) THE GOVERNING BODY SHALL CALL THE FIRST MEETING OF  
24 THE CONSORTIUM, AT WHICH MEETING THE MEMBERS OF THE CONSORTIUM  
25 SHALL ELECT A MEMBER TO SERVE AS CHAIR OF THE CONSORTIUM. THE  
26 CHAIR OF THE CONSORTIUM SERVES FOR TWO YEARS, AND THE MEMBERS  
27 OF THE CONSORTIUM ELECT A NEW CHAIR AS NEEDED.

1 (II) MEMBERS:

2 (A) SHALL BE REIMBURSED FOR ACTUAL AND NECESSARY  
3 EXPENSES INCURRED WHILE PERFORMING OFFICIAL DUTIES, TOGETHER  
4 WITH MILEAGE, AT THE RATE AT WHICH MEMBERS OF THE GENERAL  
5 ASSEMBLY ARE REIMBURSED PURSUANT TO SECTION 2-2-317; AND

6 (B) RECEIVE A PERDIEM ALLOWANCE OF FIFTY DOLLARS FOR EACH  
7 DAY SPENT IN ATTENDANCE AT A CONSORTIUM MEETING OR HEARING.  
8 CONSORTIUM MEMBERS REPRESENTING DISPROPORTIONATELY IMPACTED  
9 COMMUNITIES OR COMMUNITY GROUPS COMMITTED TO ADVANCING  
10 ENVIRONMENTAL JUSTICE ARE ALSO ELIGIBLE TO RECEIVE HOURLY  
11 COMPENSATION IN AN AMOUNT EQUAL TO THE STATE MINIMUM WAGE FOR  
12 ATTENDANCE AT CONSORTIUM MEETINGS OR HEARINGS.

13 (d) THE EXECUTIVE DIRECTOR SHALL HIRE A DIRECTOR AND A  
14 DIRECTOR OF RESEARCH TO ASSIST THE CONSORTIUM AS FOLLOWS:

15 (I) THE DIRECTOR OF THE CONSORTIUM SHALL PROVIDE  
16 ADMINISTRATIVE SUPPORT; COORDINATE MEETINGS AND MEMBERSHIP;  
17 WRITE GRANTS; PREPARE THE CONSORTIUM BUDGET; CONTRACT FOR  
18 ANALYSES AND STUDIES; AND INTERACT WITH AND REPORT TO AGENCIES  
19 AND THE GENERAL ASSEMBLY REGARDING POLICIES, RULE-MAKING  
20 PROCEEDINGS, AND LEGISLATION REGARDING REUSE, RECYCLING, AND  
21 BENEFICIAL USE OF PRODUCED WATER.

22 (II) THE DIRECTOR OF RESEARCH FOR THE CONSORTIUM SHALL  
23 MANAGE ACADEMIC ANALYSES, RESEARCH, PILOT PROJECTS, AND CASE  
24 STUDIES FOR THE CONSORTIUM.

25 (4) THE CONSORTIUM SHALL:

26 (a) PROVIDE RECOMMENDATIONS TO STATE AGENCIES AND THE  
27 GENERAL ASSEMBLY AS FOLLOWS:

1 (I) ON OR BEFORE APRIL 15, 2024, HOW STATE AND FEDERAL  
2 AGENCIES CAN BETTER COORDINATE REGULATORY POLICIES RELATED TO  
3 PRODUCED WATER;

4 (II) ON OR BEFORE APRIL 15, 2024, TOPICS RELATED TO PRODUCED  
5 WATER;

6 (III) ON OR BEFORE OCTOBER 31, 2024, ANY AGENCY RULES OR  
7 LEGISLATION NEEDED TO REMOVE REGULATORY OR LEGAL BARRIERS TO  
8 THE REUSE AND RECYCLING OF PRODUCED WATER IN THE STATE, TAKING  
9 INTO CONSIDERATION ANY ENVIRONMENTAL JUSTICE ISSUES. THESE  
10 BARRIERS MIGHT INCLUDE:

11 (A) ANY LEGAL ISSUES THAT MAY AFFECT THE RECYCLING AND  
12 REUSE OF PRODUCED WATER;

13 (B) TESTING STANDARDS AND PROCEDURES FOR TREATMENT OF  
14 PRODUCED WATER FOR BOTH CONVENTIONAL AND NONCONVENTIONAL OIL  
15 AND GAS EXPLORATION AND DEVELOPMENT;

16 (C) RESEARCH GAPS ASSOCIATED WITH THE TREATMENT OF  
17 PRODUCED WATER, INCLUDING GAPS IN ADDRESSING EMISSIONS FROM  
18 PRODUCED WATER TREATMENT AND STORAGE;

19 (D) WATER SHARING AGREEMENTS; AND

20 (E) INFRASTRUCTURE AND STORAGE FOR PRODUCED WATER REUSE  
21 AND RECYCLING, AND SPECIFICALLY INFRASTRUCTURE AND STORAGE FOR  
22 ADDRESSING NEW OR EXISTING PITS.

23 (IV) ON OR BEFORE DECEMBER 31, 2024, SHORT- AND LONG-TERM  
24 PRODUCED WATER REUSE AND RECYCLING GOALS FOR THE STATE AND  
25 CONTEMPORANEOUS DECREASES IN FRESH WATER USE;

26 (b) PARTICIPATE IN RELEVANT STATE AGENCY RULE-MAKING  
27 PROCEEDINGS REGARDING PRODUCED WATER;

1 (c) ON OR BEFORE JANUARY 1, 2024, DEVELOP GUIDANCE  
2 DOCUMENTS AND CASE STUDIES TO PROMOTE BEST PRACTICES FOR  
3 IN-FIELD RECYCLING AND REUSE OF PRODUCED WATER THROUGHOUT THE  
4 STATE;

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

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

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

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

26 (h) BEGINNING IN THE 2024 LEGISLATIVE SESSION AND ANNUALLY  
27 THEREAFTER, AND NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I),

1 THROUGH THE DIRECTOR OF THE CONSORTIUM, UPDATE THE HOUSE OF  
2 REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE AND THE  
3 SENATE TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR SUCCESSOR  
4 COMMITTEES, ON THE CONSORTIUM'S WORK PURSUANT TO THIS SECTION.

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

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

12 **SECTION 2. Appropriation.** (1) For the 2023-24 state fiscal  
13 year, \$464,512 is appropriated to the department of natural resources for  
14 use by the Colorado oil and gas conservation commission. This  
15 appropriation is from the oil and gas conservation and environmental  
16 response fund created in section 34-60-122 (5)(a), C.R.S., and is based on  
17 an assumption that the commission will require an additional 4.0 FTE. To  
18 implement this act, the commission may use this appropriation for  
19 program costs.

20 (2) For the 2023-24 state fiscal year, \$30,169 is appropriated to  
21 the department of public health and environment for use by the water  
22 quality control division. This appropriation is from the perfluoroalkyl and  
23 polyfluoroalkyl substances cash fund created in section 8-20-206.5 (7)(a),  
24 C.R.S., and is based on an assumption that the division will require an  
25 additional 0.3 FTE. To implement this act, the division may use this  
26 appropriation for personal services related to the drinking water program.

27 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.