

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0587.01 Thomas Morris x4218

HOUSE BILL 12-1173

HOUSE SPONSORSHIP

Wilson,

SENATE SPONSORSHIP

(None),

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING RESTRICTIONS ON THE USE OF OPEN PITS IN CONNECTION
102 WITH HYDRAULIC FRACTURING.

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://www.leg.state.co.us/billsummaries>.)

On or after July 1, 2014, an oil and gas operator may not use, store, or dispose of hydraulic fracturing fluids or flow-back from a hydraulic fracturing treatment in an open pit and must use a closed-loop system for hydraulic fracturing treatments. However, the oil and gas conservation commission may approve the use of open pits where the commission

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

determines there is no risk to occupied structures or water sources, and operators can use open pits if the fluids are clean enough to discharge directly into state waters without a permit.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 34-60-130 as
3 follows:

4 **34-60-130. Hydraulic fracturing fluids - rules.** (1) (a) ON OR
5 AFTER JULY 1, 2014, EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
6 SUBSECTION (1), AN OPERATOR SHALL:

7 (I) NOT USE, STORE, OR DISPOSE OF HYDRAULIC FRACTURING
8 FLUIDS OR FLOW-BACK FROM A HYDRAULIC FRACTURING TREATMENT IN
9 AN OPEN PIT; AND

10 (II) USE A CLOSED-LOOP SYSTEM FOR HYDRAULIC FRACTURING
11 TREATMENTS.

12 (b) (I) THE COMMISSION MAY APPROVE THE USE OF OPEN PITS IN
13 CONNECTION WITH THE USE, STORAGE, OR DISPOSAL OF HYDRAULIC
14 FRACTURING FLUIDS OR FLOW-BACK FROM HYDRAULIC FRACTURING
15 TREATMENTS IN AREAS THAT THE COMMISSION HAS SPECIFICALLY
16 DESIGNATED. THE COMMISSION MAY SPECIFICALLY DESIGNATE AN AREA
17 PURSUANT TO THIS SUBPARAGRAPH (I) IF THE COMMISSION HAS
18 DETERMINED THAT THERE IS NO RISK TO OCCUPIED STRUCTURES, SURFACE
19 WATER, OR TRIBUTARY GROUNDWATER FROM SUCH USE, STORAGE, OR
20 DISPOSAL.

21 (II) AN OPERATOR MAY USE, STORE, OR DISPOSE OF HYDRAULIC
22 FRACTURING FLUIDS AND FLOW-BACK FROM A HYDRAULIC FRACTURING
23 TREATMENT IN AN OPEN PIT IF THE FLUIDS ARE OF HIGH ENOUGH QUALITY
24 TO DISCHARGE DIRECTLY INTO STATE WATERS, AS THAT TERM IS DEFINED

1 IN SECTION 25-8-103 (19), C.R.S., WITHOUT GETTING A DISCHARGE PERMIT
2 PURSUANT TO SECTION 25-8-501, C.R.S.

3 (2) THE COMMISSION MAY PROMULGATE RULES TO IMPLEMENT
4 THIS SECTION.

5 **SECTION 2. Act subject to petition - effective date -**
6 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
7 the expiration of the ninety-day period after final adjournment of the
8 general assembly (August 7, 2012, if adjournment sine die is on May 9,
9 2012); except that, if a referendum petition is filed pursuant to section 1
10 (3) of article V of the state constitution against this act or an item, section,
11 or part of this act within such period, then the act, item, section, or part
12 will not take effect unless approved by the people at the general election
13 to be held in November 2012 and, in such case, will take effect on the
14 date of the official declaration of the vote thereon by the governor.

15 (2) The provisions of this act apply to hydraulic fracturing
16 treatments occurring on or after the applicable effective date of this act.