

Hello, my name is Tracee Bentley and I am the Executive Director of the Colorado Petroleum Council. CPC is a division of the American Petroleum Institute and represents all facets of the oil and natural gas industry in Colorado. CPC and its member companies are committed to ensuring a strong, viable oil and natural gas industry capable of meeting the energy needs of Colorado in a safe and environmentally responsible manner. I am here, on behalf of CPC, to testify in opposition of House Bill 1071.

As the bill states the current Colorado Oil and Gas Conservation Commission's mission is to foster balance between natural resource development and protection of health, safety and the environment. The bill then continues to say the Colorado Court of Appeals decision in *Martinez v. Colorado Oil and Gas Conservation Commission* declares that the COGCC has not been following this mission, which is incorrect. What the Court of Appeals decision in fact found, in a 2-1 decision with one judge dissenting, is that the COGCC misinterpreted its authority in reviewing and denying the petition filed by Earth Guardians, and it very clearly states the "decision does not address the merits of whether the commission should adopt the petitioners' proposed rule." The "review is limited to the Commission's rejection of the Petitioners' proposed rule based on the Commission's determination that such action would exceed its statutory authority."

With that being said the merits of this bill are questionable at best, given that the law in this area is unsettled and at least one appeals court judge expressly rejected the bill's premise. Furthermore, it is concerning that a piece of legislation would be put forth regarding a court case that has not yet been fully adjudicated. *Martinez v. COGCC* was unanimously appealed to the Colorado Supreme Court by the Colorado Oil and Gas Conservation Commission, represented by the Colorado Attorney General. The Colorado Supreme Court has accepted the appeal but briefing has not begun, meaning that the appellants have yet to exhaust their due process rights. It would be premature to codify a decision that is currently in the process of being appealed and that could ultimately be reversed by the highest court in the state.

Last but not least, the bill would have undeniable and significant financial impacts that are not reflected in the current fiscal note. Completely rewriting the COGCC's mission at the request of out-of-state, keep-it-in-the-ground activists would turn every permitting decision into a forum for protracted litigation, costing the state millions in direct dollars to defend administrative and judicial appeals, and tens of millions more in lost tax and royalty revenues due to permitting delays.

For the reasons outlined above, we would urge the committee to vote no on House Bill 1071.