

**PUBLIC COMMENT BY NEIL RAY, PRESIDENT OF THE COLORADO ALLIANCE OF
MINERAL AND ROYALTY OWNERS**

**BEFORE THE HOUSE STATE VETERANS, & MILITARY AFFAIRS COMMITTEE
FEBRUARY 22, 2017**

House Bill 17-1124
CONCERNING A REQUIREMENT THAT A
LOCAL GOVERNMENT THAT INTERFERES
WITH OIL AND GAS OPERATIONS
COMPENSATE PERSONS DAMAGED BY THE
INTERFERENCE.

Mr. Chairman and Members of the Committee

CAMRO, the Colorado Alliance of Mineral and Royalty Owners was established in 2016 with the sole focus of protecting the rights of mineral and royalty owners in Colorado. While the Association name may be new, our membership consists of mineral and royalty owners throughout our State that seek to have their voice heard when decisions of local and State lawmakers directly impact their real property interests.

CAMRO consists of many of the prior members and officers of the Colorado chapter of the National Association of Royalty Owners who have come together based on a recognized need for *specific* Colorado representation to address *specific* impacts to mineral and royalty owners in our State.

Mineral development in Colorado has long been a budgetary mainstay for our State, creating revenue and jobs that have sustained Colorado during challenging times. While the production of resources can be cyclical, depending on a number of external forces, the mineral owners in our State have been *steadfast*, often through generations, working in cooperation with oil and gas operators to responsibly develop valuable resources.

In recent years the right of mineral owners to lease and pursue development of their valuable private property has come under significant assault, in the form of development moratoria and bans. Local governments have implemented restrictions without regard to the impact on the real property rights of mineral owners, and often in the face of evidence that demonstrates value lost to both private property owners and to the State.

The City of Boulder first enacted a temporary ban on fracking in February 2012. Mineral owners have watched development opportunities fade while leases expire and Companies become disillusioned that reasonable and responsible mineral development is even a prospect in our

State. Our membership finds local governments' total disregard for our long-standing private property interests inexplicable, and frankly inexcusable.

Through the years we have heard Boulder County Commissioners use the term "long term moratorium" to avoid legal responsibility for effecting a ban on development. At the same time, we have reviewed credible studies that have confirmed responsible resource development is both possible and beneficial for our State.

We have watched and supported increased regulation and strengthening of standards to protect our lands and our State – also a priority of CAMRO membership. At the same time we have heard our neighbors rail against any development of our property.

And, somehow the bans identified as temporary continue in place. CAMRO asks this Committee to consider why local governments have taken the course of instituting temporary bans. These local governments have recognized that permanent bans are an affront to our Constitutional protections. Instead, temporary bans linger, extended and continued without any discernible action to consider the underlying basis for their implementation.

Mineral owners often work to protect surface interests, moving locations, supporting mitigation efforts such as sound walls, adding berms, buffers and mufflers. Although it reduces the mineral estate's value, CAMRO members regularly work with their neighbors without asking the neighbors to bear this cost.

In turn, our neighbors' preferred solution is to call on the local planning authority to just tell the mineral owners "no." That cost, of course, is entirely on the back of the mineral estate owner. This is not equitable or balanced.

County Commissioners, City Trustees and Councils are elected and beholden to their constituents who vote for them. They have learned through the years it is easier to ignore or disregard impacted mineral owners.

Because local governments have refused to recognize the impact on private property CAMRO strongly supports the solution proposed by H.B. 1124. It provides at least an opportunity for relief to mineral owners deprived of their private property right to extract and develop their resources. Representative Buck's bill honors our Constitutional recognition of private property rights. The Bill does not prohibit regulation of oil and gas development, nor does it guaranty remuneration, but instead merely recognizes bans and moratoria impact private property interests that can be "taken" as a result of this action. Representative Buck's bill merely brings the mineral interest back into the equation when ban and moratoria decisions are made - fairly, squarely and consistent with Constitutional principles.

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