



# CAMRO

Colorado Alliance of Mineral and Royalty Owners

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## Colorado Mineral Owners React to Initiative 97 Approval for Ballot

**Denver, Colorado** – The Colorado Alliance of Mineral and Royalty Owners was extremely disappointed to hear that Initiative 97 – an effective ban on mineral development in Colorado – [made the ballot](#) with 172,834 signatures this afternoon.

“Many Coloradans don’t yet understand the effect this kind of law would have on Colorado,” said Neil Ray, president of CAMRO. “Through [a recent study](#) and [CORA request](#) to the State Land Board, we’ve proven that untapped minerals below Colorado’s Wattenberg Field represent nearly \$180 billion dollars of working interest cash flow and \$26 billion dollars of royalty payments over the life of the field. This is money that doesn’t just benefit oil and gas companies. It benefits everyday royalty owners, Colorado’s communities, and the entire state.”

Oil and gas development would be effectively shut down in the state if Initiative 97 passes and imposes a 2,500-foot setback on oil and gas development in Colorado. [A recent Colorado Oil and Gas Conservation Commission report](#) showed that 85 percent of non-federal land would be unavailable for new oil and gas development. Weld County, the county with the most oil and gas production in Colorado, would be unable to develop 78 percent of its surface acreage.

“All of Colorado should be deeply concerned about the impact Initiative 97 would have on our communities and future workforce,” said Kathy Allen, a mineral owner who owns minerals in Weld, Yuma, and Montezuma Counties. “Mineral owners like me would be deprived of their property rights. Local governments and schools would lose an enormous tax base. Our economy and communities would all pay the price.”

In brief, passing a 2,500-foot setback on oil and gas production as laid out in Initiative 97 would:

- Infringe on the property rights of mineral owners and lead many to file reverse takings claims, costing the state, counties, and municipalities billions.
- Force state and local governments to compensate mineral owners for their loss of property (CAMRO’s study found takings would amount to \$26 billion dollars for the Wattenberg Field alone.)
- Deprive our public schools of the much-needed funding that comes from ad valorem taxes and other taxes on oil and gas development.

- Prevent future development from bringing millions of dollars to the Colorado economy and local governments.

By the numbers, CAMRO's recent study on the Wattenberg Field revealed that cash flow from one section (640 acres) with 16 horizontal multi-stage wells would produce on average \$115,548,000 in revenue in this area alone.

In addition, large portions of the Wattenberg Field are owned by the Colorado Land Board. Under a recent Colorado Open Records Act request, CAMRO found that, since 1980, the Colorado Land Board's education funds received over \$560 million in revenue from oil and gas leases in Colorado's Wattenberg Field. In the last two years alone, these assets generated \$166 million in revenue and interest, money which went on to fund K-12 public schools as well as Colorado's higher education institutions. Based on an analysis of [Colorado ad valorem taxes for 2016 and 2017](#), CAMRO also found that the oil and gas industry has paid between \$356 million and \$382 million to K-12 education in 2016 and 2017 alone.

This is but a fraction of the value of the untapped minerals across the state of Colorado, all of which would be devalued by Initiative 97.

#### **About CAMRO**

The Colorado Alliance of Mineral and Royalty Owners represents the interests of over 600,000 mineral owners across the state of Colorado. The organization encourages and promotes exploration and production of minerals throughout the state. CAMRO works to preserve, protect, and advance the interests and rights of mineral and royalty owners through education, advocacy, and assistance to its members.

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