



PRESS RELEASE
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Colorado Schools Face Extreme Financial Hardship if Initiative 97 Curtails Mineral Development

Denver, Colorado – Under a recent Colorado Open Records Act request, the Colorado Alliance of Mineral and Royalty Owners, or 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, which funded K-12 public schools as well as Colorado’s higher education institutions. Although legacy drilling can continue under Initiative 97, the State Land Board wouldn’t reap any of the benefits of future innovations in oil and gas production because no new drilling would be permitted.

“It’s not just mineral owners who have a lot at stake if something like Initiative 97, which would enact 2,500-foot setbacks and eliminate oil and gas development on 85 percent of non-federal land, passes. All of Colorado should be deeply concerned about the impact the initiative would have on our communities and future workforce,” said Neil Ray, president of CAMRO. “Colorado’s schools would face extreme financial hardship. Our schools already have experienced budget cuts. Can they withstand additional hits financially? Our students deserve better.”

Colorado public schools are one of the lesser-known beneficiaries of oil and gas leasing by the State Land Board and not just because they receive taxes from Colorado’s natural gas and oil industry, which composes almost 10 percent of Colorado’s GSP. The Colorado Land Board, a state agency that oversees approximately four million acres of state-owned mineral estate, distributes 95 percent of its revenue to public education in Colorado. The Land Board currently leases those four million acres of mineral estate for oil, natural gas, coal, and other solid mineral extraction uses.

Oil and gas development would be heavily restricted 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.

CAMRO also recently commissioned Netherland, Sewell, and Associates to conduct a cash flow analysis of the Wattenberg Field, part of the larger Denver-Julesberg Basin and one of the largest oil and natural gas deposits in the United States. The analysis revealed that cash flow from one section (640 acres) with 16 horizontal multi-stage wells would produce on average \$115,548,000 in revenue. The Colorado Land Board controls thousands of such sections throughout the state, all of which would be devalued by Initiative 97.

“Many teachers don’t realize how much education funding comes from oil and gas development,” said Cristy Koeneke, a retired educator and mineral owner from Arvada. “And Initiative 97 and other development restricting legislation would be a huge blow to public education here in Colorado. Teachers and school districts already are facing serious budget shortfalls. Our students are our future and we cannot be so shortsighted about our future.”

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.

About Netherland, Sewell, & Associates

Netherland, Sewell, & Associates is a worldwide leader of petroleum property analysis to industry and financial organizations and government agencies. The company is comprised of a group of independent petroleum engineers, geologists, geophysicists, and petrophysicists and is the number one choice for SEC Reserves reporting.

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