

Initiative 2025-2026 #311
Liability for Oil and Gas and Waste Injection
Operations

Received by Legislative Council Staff
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Be it Enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 34-60-135.5 as follows:

34-60-135.5. Joint and several liability for damage to sources of underground drinking water – short title – purposes and findings – definitions. (1) **Short title.** THE SHORT TITLE OF THIS SECTION IS AND MAY BE CITED AS THE “PROTECT OUR UNDERGROUND SOURCES OF DRINKING WATER ACT”.

(2) **Purposes and findings.** THE PEOPLE OF THE STATE OF COLORADO HEREBY FIND AND DECLARE THAT:

(a) CLEAN UNDERGROUND SOURCES OF DRINKING WATER ARE VITAL TO THE HEALTH, SAFETY, AND WELFARE OF COLORADO RESIDENTS, AS WELL AS TO THE ENVIRONMENT AND WILDLIFE RESOURCES.

(b) IN COLORADO, MORE THAN TWO BILLION GALLONS OF TOXIC OIL AND GAS WASTEWATER IS INJECTED UNDERGROUND EACH YEAR.

(c) DISPOSAL OF OIL AND GAS WASTES BY UNDERGROUND INJECTION, CAN CAUSE CONTAMINATION OF UNDERGROUND AQUIFERS, INCLUDING THE DENVER BASIN AQUIFER, THAT IS A SOURCE OF CLEAN DRINKING WATER AND AGRICULTURAL WATER.

(d) CONTAMINATION OF UNDERGROUND SOURCES OF DRINKING WATER CAN CAUSE SUBSTANTIAL COSTS ON LANDOWNERS, COMMUNITIES, AND THE PUBLIC.

(e) IT IS IN THE PUBLIC INTEREST TO HOLD OIL AND GAS OPERATORS AND WASTE INJECTORS ACCOUNTABLE FOR ANY DAMAGE CAUSED TO UNDERGROUND SOURCES OF DRINKING WATER, ENSURING THAT THOSE RESPONSIBLE BEAR THE FINANCIAL BURDEN OF REMEDIATION AND COMPENSATION.

(f) JOINT AND SEVERAL LIABILITY IS NECESSARY TO ENSURE THAT ALL PARTIES CONTRIBUTING TO SUCH DAMAGE ARE HELD ACCOUNTABLE, PARTICULARLY WHERE MULTIPLE ACTORS ARE INVOLVED IN CAUSING HARM.

(g) THE PURPOSE OF THE PROTECT OUR UNDERGROUND SOURCES OF DRINKING WATER ACT IS TO ENSURE PROMPT, COMPLETE, AND ENFORCEABLE ACCOUNTABILITY FOR CONTAMINATION OF POTABLE WATER SUPPLIES RESULTING FROM THE DISPOSAL OF OIL AND GAS WASTES BY IMPOSING JOINT AND SEVERAL LIABILITY ON:

(I) UNDERGROUND INJECTION DISPOSAL COMPANIES, AND

(II) THE OPERATORS RESPONSIBLE FOR GENERATING THE WASTES.

(3) Definitions. AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) “UNDERGROUND SOURCE OF DRINKING WATER” AS DEFINED IN 40 CFR 144.3.

(b) “WASTE INJECTOR” MEANS ANY PERSON OR ENTITY THAT OPERATES A CLASS II INJECTION WELL, AS CLASSIFIED UNDER 40 CFR 144.6(b), FOR THE DISPOSAL OF WASTE GENERATED BY OIL AND GAS OPERATIONS.

(4) Joint and Several Liability for Damage to an Underground Source of Drinking Water.

(a) ANY OIL AND GAS OPERATOR OR WASTE INJECTOR THAT GENERATES OR INJECTS WASTE RESULTING IN DAMAGE TO AN UNDERGROUND SOURCE OF DRINKING WATER SHALL BE HELD JOINTLY AND SEVERALLY LIABLE FOR ALL COSTS ASSOCIATED WITH:

(I) REMEDIATION OF THE UNDERGROUND SOURCE OF DRINKING WATER TO RESTORE IT TO ITS PRE-DAMAGE CONDITION;

(II) COMPENSATION FOR ANY ECONOMIC, ENVIRONMENTAL, OR HEALTH-RELATED HARM CAUSED BY THE DAMAGE; AND

(III) ANY PENALTIES IMPOSED UNDER APPLICABLE STATE OR FEDERAL LAW.