



**FOR IMMEDIATE RELEASE**

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**\*\*\*PRESS RELEASE\*\*\***

**Lawsuit Challenging the Constitutionality of Colorado's Oil and Gas Forced Pooling Statute Filed in Federal Court**

DENVER - Today, Colorado Rising on behalf of mineral owners in Broomfield filed a lawsuit in the United States District Court for Colorado challenging the constitutionality of the forced pooling provision of the Colorado Oil and Gas Act. *CRS § 34-60-116(6)*.

Forced pooling — which dates from the 1930s — enables the Colorado Oil and Gas Conservation Commission to give private oil and gas companies access for drilling to a citizen's mineral property, even if the owner doesn't want to sell or lease the minerals.

In Colorado, the forced pooling statute has no requirement that the gas and oil operators own or lease any threshold amount of minerals in the drilling and spacing unit before they are allowed to force all non-consenting mineral owners' minerals into the fracking project. In fact, because Colorado's forced pooling law has not been updated to account for huge horizontal fracturing operations and projects in residential areas, there could be hundreds of non-consenting owners being force pooled by one operator.

There were over 900 mineral owners listed on the forced pooling application by one operator for a single well pad in Broomfield. Statewide, operators requested to pool approximately 30,000 non-consenting mineral owners in 2018 alone. COGCC doesn't track any information about how many estates have been forced pooled so accurate data is hard to obtain.

Colorado is one of the few states that has what is known as a penalty forced pooling statute. Other states require a threshold, usually a majority, of mineral rights owners to voluntarily participate in the fracking project before the operator can force the non-consenting owners to participate. Colorado severely penalizes the non-consenting mineral owner by limiting the royalty they are given and requiring them to pay two times what consenting owners pay for some costs of the fracking project.

Under the current law, mineral owners' only choice is to lease their minerals or have their minerals force pooled. Thus, many mineral owners report that they signed leases under duress and would have preferred to have the right to decide when or if they monetize their minerals or to leave their minerals in the ground due to health, safety, and environmental concerns.

The complaint challenges the statute on constitutional grounds, including arguments that the law violates mineral owners' rights to contract, equal protection, freedom of association, and due process among others. Read the full **{complaint here.}** The complaint alleges that the whole mineral market has been negatively affected by forced pooling, and operators use this unconstitutional law to strong arm mineral owners into unreasonable leases. They have requested an immediate restraining order and a preliminary injunction due to the eminent threat posed to Colorado mineral owners.

Anne Lee Foster of Colorado Rising said about the suit "The practice of forced pooling is in essence a taking of private property for corporate gain by order of the state. Forced pooling is a perfect example of Colorado's antiquated oil and gas laws that must be updated in accordance with modern technology, including horizontal fracking and the practice of residential drilling. The oil and gas industry has long used forced pooling as a means of coercing mineral owners into unreasonable, below market leases and forced extraction of their mineral property. The practice is relied on so heavily by the industry, that some operators list changes to forced pooling regulations as a risk to their financial viability. The practice is clearly an egregious violation of property rights and must end."

Jean Lim, a Broomfield mineral owner that is being force pooled, says "We feel powerless. It's hard to believe this can happen in the U.S. I always thought property rights were protected, and certainly never thought the government could take my property and give it to a private entity over my objections. This whole situation is frustrating and frightening."

Elizabeth Lario, another Broomfield mineral owner, explains that the plaintiffs have been trying for over two years to work with operators, legislators and COGCC in an attempt to protect their rights to no avail. Lario says "... at almost every turn we have been ignored. We are just regular people and have been forced to spend hundreds of hours and thousands of dollars over the last two years just to get up to speed and protect our rights and the health, safety and welfare of our community. Given what's happened to us we worry about the exploitation of neighborhoods without resources or information."

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*Colorado Rising is powering the grassroots movement to protect public health & safety from dangerous oil & gas operations.*

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