

*La Plata County*  
Colorado

Board of County Commissioners

Robert A. Lieb, Jr., Chair • Wallace L. White, Vice Chair • Kellie C. Hotter, Commissioner

1060 East 2nd Ave  
Durango, CO 81301  
(970) 382-6219

March 13, 2012

Colorado House Local Government Committee

Laura Bradford, Chair  
Libby Szabo, Vice Chair  
David Balmer  
Bob Gardner  
Sal Pace  
Kathleen Conti  
Jeanne Labuda  
John Soper  
Rhonda Fields  
Pete Lee

RE: SB12-031, Federal Mineral Lease Districts

Dear Members of the Colorado House Local Government Committee and Chair Bradford:

Last year the Colorado General Assembly almost unanimously passed HB11-1218, which allowed counties to create mineral lease districts. The purpose of federal mineral lease districts is to maximize the amount of federal oil and gas impact dollars coming into Colorado. Over the interim, the Department of Interior provided feedback on how to strengthen the state law. SB12-031, Federal Mineral Lease Districts, is the cleanup bill that incorporates the Department's feedback.

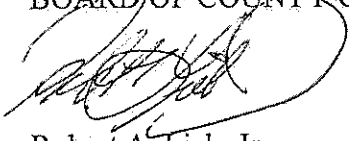
The bill changes the laws regarding the formation of a federal mineral lease district, including changes to the district's and district board of director's powers, in order for the district to be more autonomous from the county creating the district. The bill specifies that a federal mineral lease district is an independent body politic, separate and distinct from the county that creates it. Powers of the district and the board of directors are further enumerated. The bill also establishes how a district may be dissolved and clarifies the membership and terms of the board of directors. The bill specifies that the district may reserve all or a portion of the federal mineral lease funding for use in subsequent years in order to maximize the usefulness of the direct or indirect distribution of funding for the areas socially or economically impacted by the development, processing, or energy conversion of fuels and minerals leased under a federal act.

We continue to hope that SB12-031's remaining legislative journey will be swift. Timing continues to be of utmost importance as it is essential that Colorado send this cleanup bill to the federal government before the federal payments are calculated.

We urge you to support SB12-031. Thank you for your leadership.

Sincerely,

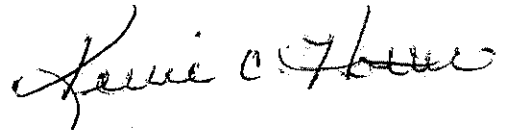
LA PLATA COUNTY  
BOARD OF COUNTY COMMISSIONERS



Robert A. Lieb, Jr.  
Chair



Wallace L. White  
Vice Chair



Kelli C. Hotter  
Commissioner

CC: Senator Ellen Roberts  
Representative J. Paul Brown  
JBC