

April 11, 2011

The Honorable Larry Powell, Chairperson
House Committee on Agriculture and Natural Resources
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Powell:

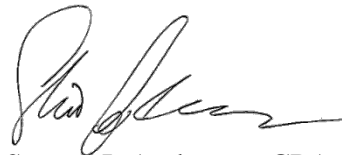
SUBJECT: Fiscal Note for HB 2320 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2320 is respectfully submitted to your committee.

SB 2320 would amend current law regarding oil and gas production to change the percentage of the unpaid portion of the owner's share of the costs of drilling wells in a unitized area. The bill would change the percentage from "not to exceed 300.0 percent" to "not to exceed 200.0 percent."

Although the bill would have no fiscal effect on the Kansas Corporation Commission; the bill would have a fiscal effect on non-operating working interests of oil and gas wells.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Tom Day, KCC