Approved: March 9, 2000

Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Senator David Corbin at 8:00 a.m. on March 7, 2000 in 245-N of the Capitol.

All members were present except: Senator Huelskamp who was excused.

Committee staff present: Raney Gilliland, Legislative Research Department Mary Ann Torrence, Revisor of Statutes Office Lila McClaflin, Committee Secretary

Conferees appearing before the committee: Diana Edmiston, Assistant General Counsel, Kansas Corporation Commission (KCC) Maurice Korphage, Director Conservation Division Kansas Corporation Commission (KCC) Rex Buckanan, Kansas Geological Survey

Others attending: See attached list.

The minutes of March 6 were approved as written.

The hearing was opened on <u>HB 2781</u>-Oil and Gas' application of certain penalties to corporation commission orders and rules and regulations.

Diana Edmiston, Asst. General Counsel, KCC, testified that the bill was intended to clarify that the commission could impose monetary penalties against oil and gas operators for violation of any rule and regulations of the commission or any order of the commission. She flirther stated the Oil and Gas Advisory Committee had reviewed the proposed amendment (Attachment 1). She responded to several questions.

The hearing on HB 2781 was closed.

Chairperson Corbin called on Maurice Korphage, Director, Conservation Division, Kansas Corporation Commission, said he asked to provide the committee with information on the areas in Kansas that are designated as Sensitive Groundwater Areas. The history of this designation goes back to 1986 with the creation of a Special Surface Ponds Study Committee which was established by the Kansas Corporations Commission's Oil and Gas Advisory Committee. An integral part of the special committee's work was to delineate areas in the state where particular soil, geological, and hydro geological conditions existed and where normal or routine exploration and production operations could create a potential for contamination to groundwater. As the areas were approved by reference and cover alluvial areas, the Equus Beds aquifer and parts of the Great Bend Prairie aquifer subsequent additions or changes to these areas have been incorporated into the mapped designation over time (Attachment 2). A map of sensitive groundwater areas in Kansas were distributed (Attachment 3). Mr. Korphage and Mr. Rex Buchanan responded to numerous questions.

Chairperson Corbin thanked Mr. Korphage for coming and for providing all the information regarding the Sensitive Groundwater Areas.

Chairperson Corbin then referred the committee to HB 2781 for discussion.

Senator Vratil moved that **HB 2781** be passed. The motion was seconded by Senator Goodwin. The motion carried.

The meeting adjourned at 8:50 a.m. The next scheduled meeting will be on Wednesday, March 8, 2000.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.