

Phone (620) 544-4333 Fax (620) 544-2230 E-mail: SWKROA@pld.com www.swkroa.com 209 E. 6th St. / P.O. Box 250 Hugoton, Kansas 67951

JOHN CRUMP, President JIM KRAMER, Vice President JOE LARRABEE, Treasurer ERICK NORDLING, Executive Secretary B.E. NORDLING, Ass't Secretary

Testimony before the Senate Utilities Committee Senate Bill 331 February 9, 2004

Chairman Clark and Members of the Committee:

As President of the Southwest Kansas Royalty Owners Association, I appreciate this opportunity to express my views on SB-331 regarding the filing of wind energy leases with county Registrars of Deeds. Simply put, our Association believes that all documents pertaining to the land -- deeds, leases, rights of way, easements, etc -- should be filed and made a matter of record. Such recording is necessary so that any party to a future transaction will have access to complete information regarding the land. (As an example, most of us royalty owners are accustomed to dealing with leases which are 40 to 50 years old and which are available to us because someone filed those leases years ago.)

We believe the filing and recording should apply to wind energy leases just as much as to oil and gas leases. Wind energy leases will place encumbrances or restrictions on the use of the land and should be fully and accurately recorded, not just for today but for the future. To create the full record, it is imperative that the full text of a lease be recorded and not just a memorandum. To do less with wind energy leases than with oil and gas leases would create an unfavorable precedent; if wind energy companies are permitted to file only memoranda of leases, oil and gas companies would press for the same procedure and we would oppose that. All energy companies should be treated equally.

Respectfully submitted,

John E Crump President, SWKROA