

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Stan Clark at 9:30 a.m. on March 10, 2004 in Room 526-S of the Capitol.

All members were present except:

Senator Mark Taddiken- excused

Committee staff present:

Bruce Kinzie, Revisor of Statutes  
Raney Gilliland, Legislative Research  
Emalene Correll, Legislative Research  
Ann McMorris, Secretary

Conferees appearing before the committee:

Ed Cross, KIOGA  
Lee Allision, Kansas Geological Survey  
W. C. Long, Jr., Wellwin Drilling Corporation, Wellington, KS

Others attending:

See Attached List.

Chair opened hearing on

**HB 2652 - Unitization of more than one oil or gas reservoir if consitutues a simple pressure system**

Proponents-

Lee Allison, Kansas Geological Survey, reported this bill originated at the recommendation of the State Energy Council and amends the statute on unitization of oil and gas fields to allow multiple reservoirs that are in communication with each other to constitute a single reservoir system for unitization purposes. **HB 2652** would allow more efficient and effective production of the state's oil and gas reservoirs. (Attachment 1)

Ed Cross, Executive Vice President, Kansas Independent Oil and Gas Association, urged the passage of **HB 2652**. (Attachment 2)

W. C. Long, Jr., WellWin Drilling Corporation, Wellington, KS,, urged amendment of **HB 2652** by adding **HB 2907**- providing for unit operations of oil and gas pools upon written agreement of 90% of working interest owners and royalty owners. (Attachment 3)

Written testimony supporting **SB 2652** was sent by John McCannon, Asst. General Counsel, KCC. (Attachment 4)

Considerable discussion by the committee and conferees on the proposed amendment, costs for filing application with KCC to unitize, and language required to cover any new procedure.

The next meeting of the Senate Utilities Committee is scheduled for March 11, 2004.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary  
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