

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Ralph Ostmeyer at 8:30 a.m. on Thursday, February 9, 2012, in Room 159-S of the Capitol.

All members were present, except:
Senator Carolyn McGinn

Committee staff present:
Tamera Lawrence, Office of the Revisor of Statutes
Laura Jurgensen, Kansas Legislative Research Department
Stephanie Gray, Committee Assistant

Conferees appearing before the Committee:
Bill Bider, Dir. of Bureau of Waste Management, Ks. Dept. of Health & Environment (KDHE)
Doug Louis, Director-Oil & Gas Conservation Div., Ks. Corporation Commission (KCC)

Others attending:
See attached list.

Chairman Ostmeyer re-opened the hearing on **SB 310 - local enhanced management areas (LEMA)**. There were no questions from the committee. *Senator Taddiken made the motion to pass out **SB 310** favorably, seconded by Senator Teichman. Motion carried.*

Chairman Ostmeyer opened the hearing on **SB 375 – concerning solid waste; relating to permit exemptions, amending KSA 2011 Supp. 65-3407c and repealing the existing section**. Tamera Lawrence, assistant revisor, presented background information on the bill, including requirements and the \$250 application fee for KCC. The committee had no questions at this time.

Bill Bider, KDHE, provided testimony as **SB375** proponent. (Attachment 1) He stated this bill was developed cooperatively by KDHE and the KCC to address the increased waste generation associated with horizontal drilling. Industry representatives have reported that traditional disposal methods for these wastes in on-site earthen pits are no longer practical.

He stated this bill would establish land-spreading of drilling fluids and solids as an approved disposable method that does not require a solid waste disposal permit issued by KDHE. It was determined that controlled land-spreading of these drilling wastes could be done safely. The KCC and KDHE agreement will specify that KCC will oversee the administration of this program including routine compliance assessments. The agreement will also specify how enforcement will take place when serious non-compliance is identified. Questions from the committee were answered.

Doug Louis, Director of Oil and Gas Conservation Div, KCC, gave testimony (Attachment 2) supporting **SB 375**. He gave some background information on the regulations of KCC with oil and gas exploration. In the summer of 2011, an out-of-state oil and gas exploration company approached the commission staff

CONTINUATION SHEET

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about land-spreading disposal practice in Kansas. A concern was shown about the large amount of waste generation. KDHE and KCC joined together to complete research on this topic. As a result the KDHE would develop the technical aspects of land spreading, while KCC would administer the program. The commission staff agrees with the general consensus expressed in those meetings and believes land spreading is a viable option for disposal of drilling wastes and solids. The staff also agrees that KCC is best suited to oversee/administer the program. He answered questions from the Committee.

Jimmie Hammontree, Manager, Regulatory Affairs, Chesapeake Energy submitted written testimony in support of **SB 375**. (Attachment 3)

The hearing on **SB375** was closed.

Chairman Ostmeyer announced the next meeting will be Friday, February 10.

The meeting was adjourned at 9:25 a.m.