

Approved: March 7, 2000

Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:12 a.m. on February 11, 2000 in Room 522-S of the Capitol.

All members were present except: Rep. Krehbiel
 Rep. Long
 Rep. Loyd

Committee staff present: Lynne Holt, Legislative Research Department
 Mary Torrence, Revisor of Statutes
 Jo Cook, Committee Secretary

Conferees appearing before the committee: Robert Krehbiel, Kansas Independent Oil & Gas Assn.
 David Nickel, Kansas Independent Oil & Gas Assn.
 James Daniels, Murfin Drilling Company
 Ken Peterson, Kansas Petroleum Council

Others attending: See Attached Guest List

HB 2826 - Oil and gas; unitization and unit operations

Chairman Holmes opened the hearing on **HB 2826**.

Mr. Robert Krehbiel, Executive Vice President of the Kansas Independent Oil and Gas Association, testified in support of **HB 2826** (Attachment 1). He explained that this bill was a cooperative effort and could promote increases in the production of Kansas crude oil.

David Nickel, Legislative Chairman for the Kansas Independent Oil and Gas Association, testified as a proponent of **HB 2826** (Attachment 2). Mr. Nickel provided explanation of the proposed amendments that make up the bill.

James Daniels, General Manager of Murfin Drilling Company, appeared in support of **HB 2826** (Attachment 3). Mr. Daniels described the mechanisms which account for oil and gas production. He also discussed the technical aspects of the process of recovering additional oil.

Mr. Ken Peterson, Director of the Kansas Petroleum Council, submitted testimony in support of **HB 2826** (Attachment 4). Mr. Peterson stated that the bill basically modernizes and streamlines the state's unitization statutes. He proposed one amendment that would change the effective date.

Copies of testimony provided by Erick Nordling, Executive Secretary of the Southwest Kansas Royalty Owners Association, in support of the bill were distributed (Attachment 5).

The conferees responded to questions from Rep. Dahl, Rep. Holmes, Rep. Kuether, Rep. Alldritt, Rep. O'Brien, Rep. McClure, and Rep. Sloan.

The meeting adjourned at 10:43 a.m.

The next meeting will be Monday, February 14, 2000 at 9:00 a.m.