

MINUTES OF THE Senate COMMITTEE ON Energy and Natural ResourcesThe meeting was called to order by Senator Charlie L. Angell at  
Chairperson8:00 a.m./p.m. on Tuesday, February 15, 1983 in room 123-S of the Capitol.

All members were present except:

Senator Paul Hess

Senator Tom Rehorn (Excused)

Committee staff present:

Ramon Powers, Research Department

Don Hayward, Revisor's Office

LaVonne Mumert, Secretary to the Committee

Conferees appearing before the committee:

James F. Aiken, Jr., Director of Division of Environment, Kansas Department of Health and  
Environment

Senator Dan Thiessen

Don Schnacke, Kansas Independent Oil and Gas Association

Patty Gorham, Kansas Corporation Commission

The minutes of the February 11, 1983 meeting were approved.

Chairman Angell appointed a subcommittee on S.B. 62 to make a recommendation on the designation of basins. The subcommittee members are: Senator Feleciano (Chairman), Senator Kerr, Senator Vidricksen, Senator Chaney and Senator Angell.

James F. Aiken, Jr. said when his agency presented its status of the environment situation, they told the Committee they would be requesting two bills relating to hazardous waste and radiation control. Mr. Aiken requested the Committee to authorize introduction of these two bills. Senator Feleciano moved that the bills be introduced as Committee bills. Senator Roitz seconded the motion, and the motion carried.

## S.B. 175 - Fees of operators of natural gas wells

Senator Dan Thiessen said this bill would exempt from the annual license fee those people that have their own gas wells for their own use. They are upset over having to pay \$100 a year for having to operate their own wells. In response to a question from Senator Kerr as to whether the bill would apply to new licenses or just renewals, Senator Thiessen said the intent was to exempt both. Answering further questions from the Committee, Senator Thiessen said he did not have any information as to the number of these wells, that this would not include anyone who sells commercially and he agreed that in some cases an aquifer has been penetrated in the drilling of these wells. Chairman Angell asked if these people object to the fee or to being licensed. Senator Thiessen answered the primary objection is to the fee. Senator Feleciano pointed out that the purpose of S.B. 498 was to provide monitoring of the wells in Kansas by the Kansas Corporation Commission and the Kansas Department of Health and Environment. Chairman Angell said that staff says the bill only eliminates the fee but does not eliminate the licensing. Senator Thiessen said he was satisfied with that.

Answering a question from Senator Chaney, Patty Gorham said the \$100 fee is used to pay administration costs of enforcing the program.

Don Schnacke stated that the intent of S.B. 498 was to start an enforcement program for the protection of underground water. He cautioned that allowing one group an exemption would cause other groups to seek the same favorable treatment. Mr. Schnacke said he would suggest maybe a reduced fee along with retaining licensure.

Patty Gorham said the Commission is certainly mindful of the situation but they concur that the intent of S.B. 498 was to get a handle on the protection of fresh water. She pointed out that creating any sort of exemption would cause administrative problems. They have issued 3,335 licenses and 1,384 tags. Responding to a question from Senator Kerr, Ms. Gorham said that the Commission had a public information campaign when S.B. 498 went into effect and many of the license applications were voluntary and some of the unlicensed wells were discovered by the Commission and some by the Kansas Department of Health and Environment, but she thinks there are probably many wells still unlicensed. She said the Commission does not consider \$100 an unreasonable fee. Ms. Gorham told the Committee large oil companies

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Energy and Natural Resources

room 123-S, Statehouse, at 8:00 a.m./~~PM~~ on Tuesday, February 15, 1983

may more closely monitor their wells than an individual who has only one, with the result that the individual's well may have more potential for causing pollution problems.

The meeting was adjourned at 8:40 a.m. by the Chairman.

The next meeting of the Committee will be at 8:00 a.m. on February 16, 1983.

# Senate Energy & Natural Resources

Feb. 15, 1983

<u>Name</u>	<u>City</u>	<u>Organization</u>
Paul E. Fleener	Manhattan	Kansas Farm Bureau
John K. Blythe	oo	oo oo oo
Lor Stanton	Topeka	KPL
Bill Anderson	Mission	Water Dist 1 JoCo
Jerry Carmod	Topeka	KGE
<del>Errol</del> Error		
<del>Errol</del> M. Hawver	"	Capitol Journal
Mary Fund	Topeka	Ks. Rural Center
Kenny Wedel	Topeka	Ks. Natural Resource Council
Ruth Wilbur	"	Girl Scouts
Arlene Telleman	Topeka	
Kenneth Kern	Topeka	State Conservation Commission
Dale Badema	Lawrence	KGS
John A. Henderson	Topeka	KWO
David Nickel		KCC
Larissa Bohan	Topeka	KCC
Tom Orches	Topeka	KACI
Don Schnack	Topeka	KIDGN
Jim Aiken	"	KDHE