

MINUTES OF THE Senate COMMITTEE ON Energy and Natural Resources

The meeting was called to order by Senator Charlie L. Angell at  
Chairperson

8:00 a.m./~~PM~~ on Thursday, March 15, 1984 in room 123-S of the Capitol.

All members were present except:  
Senator Paul Feleciano  
Senator Paul Hess

Committee staff present:  
Ramon Powers, Research Department  
Don Hayward, Revisor's Office  
LaVonne Mumert, Secretary to the Committee

Conferees appearing before the committee:  
David Pope, Chief Engineer, Division of Water Resources, State Board of Agriculture  
Joe Harkins, Director, Kansas Water Office  
Ed Peterson, State Corporation Commission  
Don Schnacke, Kansas Independent Oil and Gas Association  
George Sims, Mobil  
Bob Anderson, Mid-Continent Oil and Gas Association and K-N Energy

Senator Roitz moved that the minutes of the March 14, 1984 meeting be approved. Senator Werts seconded the motion, and the motion carried.

S.C.R. 1664 - Operative practices of the U.S. Army Corps of Engineers and Bureau of Reclamation relating to Arkansas River Compact

David Pope read his written testimony (Attachment 1). He said that at the present time, the Bureau of Reclamation and the Corps of Engineers have taken the position that the dispute between Kansas and Colorado over the Arkansas River is a matter to be resolved between the two states. Mr. Pope said, in essence, this is true, but the problem is that they are continuing to store water and operate projects in accordance with the wishes of the Colorado State Engineer. Mr. Pope stated that the suggested amendments contained in his testimony are intended to narrow the focus of the resolution by asking that the federal government refuse to store any water in Pueblo Reservoir until such time as Colorado submits an acceptable operation plan for the approval of the Arkansas River Compact that will insure that Kansas is not being damaged. He does not feel that the federal government should be put into the role of interpreting the provisions of the Compact.

Joe Harkins said that his agency is in complete agreement with Mr. Pope's suggested amendments.

Chairman Angell read from a letter written by Phil Martin, Chairman of the Kansas Water Authority, stating that he also supports the amendments.

Senator Chaney made a conceptual motion that S.C.R. 1664 be amended to reflect the changes set out in Mr. Pope's written testimony and that the Revisor make necessary clean-up changes. Senator Gannon seconded the motion, and the motion carried. Senator Chaney moved that the resolution be recommended favorably for adoption. Senator Gannon seconded the motion, and the motion carried 9-0.

S.B. 2407 - Natural gas production contracts: filed with corporation commission

Ed Peterson showed the Committee computer print-outs illustrating the great volume of contracts that would be required to be filed under the provisions of the bill. Chairman Angell asked if the State Corporation Commission presently has the ability to obtain copies of these contracts. Mr. Peterson replied that is questionable. He said they probably have the authority to get these through the Federal Energy Regulatory Commission but it takes time. Mr. Peterson said that the Commission would recommend that the bill be amended to make it clear that the companies are required to provide the contracts upon request.

H.B. 2641 - Natural gas for irrigation of land where wells and gathering systems are located. Re Proposal No. 20.

Don Schnacke reviewed the suggested amendments to the bill (Attachment 2). He said the

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 Thursday, March 15, 1984

amendments are intended to clarify and define the provisions of the bill and specify the limitations, liabilities and the price. Chairman Angell asked if the new subsection (c) would apply to the land where the well is or the land where the gathering lines are or both. George Sims answered that it applies to the land that is irrigated within a proven field wherever it may be. Senator Rehorn asked if there could be a problem with the proposed language in new subsection (b): "subject to entering into an irrigation contract". Bob Anderson replied that new subsection (h) stating that the State Corporation Commission has jurisdiction over these sales should resolve any possible problems. Vice-Chairman Kerr made a conceptual motion that H.B. 2641 be amended as suggested in the balloon copy of the bill (Attachment 2) and that the Revisor make necessary clean-up changes. Senator Roitz seconded the motion, and the motion carried. Vice-Chairman Kerr moved that the bill be further amended to include the phrase "water for irrigation purposes" wherever the term "groundwater" appears in the bill. Senator Gannon seconded the motion, and the motion carried. Vice-Chairman Kerr moved that the bill, as amended, be recommended favorably for passage. Senator Gannon seconded the motion, and the motion carried 9-0.

The meeting was adjourned at 8:45 a.m. by the Chairman. The next meeting of the Committee will be at 8:00 a.m. on Tuesday, March 20, 1984.

Senate Energy & Natural Resources

March 15, 1984

<u>Name</u>	<u>Organization</u>
Robert C. Anderson	Mid East Oil & Gas
Joe Hodges	Cities Service Oil & Gas
George Adams	Mobil
Jim Stanton	Northern Natural Gas
Don Schuck	KIOGA
David W. Nicks	KCC
Paul L. Hays	DWR, KSBA
Richard E. Kolf	DWR, KSBA
John Campbell	AM
Ed Reinert	Ks League Women Voters
Rick Kready	KPL / Gas Service Co.
Ross Martin	Ks Petroleum Council

PRESENTATION BY DAVID L. POPE  
CHIEF ENGINEER-DIRECTOR  
DIVISION OF WATER RESOURCES  
KANSAS STATE BOARD OF AGRICULTURE

TO SENATE ENERGY & NATURAL RESOURCES COMMITTEE

March 15, 1984

RE: SENATE CONCURRENT RESOLUTION NO. 1664

Mr. Chairman and members of the Committee, I appreciate the opportunity to comment this morning on Senate Concurrent Resolution No. 1664 which requests the members of the Kansas Congressional Delegation to investigate and determine whether or not the practices of the U.S. Bureau of Reclamation and the U.S. Army Corps of Engineers in operating certain projects or reservoirs comply with the provisions of the Arkansas River Compact.

I would like to commend the committee for proposing this resolution. I take it as a strong indication of the interest and support of the Committee to help deal with our ongoing conflict with the State of Colorado regarding the Arkansas River Compact. However, I would like to suggest some modifications to the proposed resolution that I feel will strengthen the impact of the resolution while at the same time protect the interest of the State of Kansas in its dealings with the Federal Government on matters of water law.

While I do not feel the position taken by the Federal Government in this matter has been appropriate nor fair to the State of Kansas, I also do not feel it is the appropriate role of the Federal Government to interpret the provisions of the Arkansas River Compact because ultimately that is a function of the compact administration or the U.S. Supreme Court. I think it is the appropriate role of the Federal Government to operate its projects in accordance with the provisions of the Arkansas River Compact and the actions taken by the Arkansas River Compact Administration.

*Atch. 1*

At the current time, it appears that the Federal Government is operating certain projects in Colorado in accordance with the wishes of the Colorado State Engineer and contrary, in our opinion, to the actions of the Kansas-Colorado Arkansas River Compact Administration. This, in essence, allows the State of Colorado to store and utilize water to which Kansas feels it is entitled pending resolution of this matter between the States by negotiation or in the U. S. Supreme Court. We feel the Federal Government should refuse to store such waters until such time as the matter is resolved thereby providing an incentive for Colorado to enter into meaningful negotiations and thereby preventing further damage to the downstream users in the State of Kansas.

In the case of Pueblo Reservoir, the following background information might be helpful.

On July 24, 1951, a resolution was adopted by the Arkansas River Compact Administration which states in part,

"There shall be no reregulation of the native waters of the Arkansas River as proposed in such report until the plan of operation rules, regulations, procedures and agreements in furtherance thereof, including all pertinent agreements between the Corps of Engineers and the Bureau of Reclamation shall have been submitted to and approved by the Arkansas River Compact Administration and the affected water users."

The Fryingpan-Arkansas Project, which includes Pueblo Reservoir, was authorized for construction, operation, and maintenance by Public Law 87-590, 87th Cong., H.R. 2206, August 16, 1962. In recognition of the Arkansas River Compact, the authorization states in section 5(c):

"None of the waters of the Colorado River system shall be exported from the natural basin of that system by means of works constructed under authority of this Act, or extensions and enlargements of such works, to the Arkansas River Basin for consumptive use outside of the State of Colorado, and no such waters shall be made available for consumptive use in any State not a party to the Colorado River compact by exchange or substitution; nor shall the obligations of the State of Colorado under the provisions of the Arkansas River compact (63 Stat. 145) be altered by any operations of the Fryingpan-Arkansas project (emphasis added)."



Section 8 of the Reclamation Act (Act of June 17, 1902, 32 Stat. 388) requires that the United States comply with State laws when in the construction and operation of a Reclamation project it becomes necessary to acquire water rights. Therefore, the Bureau is required to comply with Colorado State water laws. Further, by the authorization, the Bureau cannot interfere with Colorado's ability to meet its obligation to the Arkansas River Compact.

However, the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation have indicated that they are obligated to operate Reservoirs located in the State of Colorado in accordance with the Colorado state laws as directed by the Colorado State Engineer and that they assume that direction by the State Engineer reflects the legal requirements of the Compact.

On the basis of the resolution adopted July 24, 1951, the Kansas members to the Arkansas River Compact introduced a resolution at the March 25, 1983, meeting of the Compact that would have required the State of Colorado to submit an operation plan for approval by the Arkansas River Compact Administration prior to the storage of water in Pueblo Reservoir. While it is not surprising that the Colorado Representatives to the Compact refused to support the resolution, it is unacceptable for the Federal Government to operate projects in accordance with the wishes of one state when prior actions of the Arkansas River Compact Administration clearly indicates a contrary agreement of the two states prior to the construction of this Reservoir.

Therefore, I think it is appropriate that the legislature pass Senate Concurrent Resolution No. 1664 with an amendment requesting that the Federal Government refuse to store any water in Pueblo Reservoir, other than transbasin diversions from the western slope to which Kansas is not entitled, until such time as the State of Colorado submits an acceptable operation plan for the approval of the

Arkansas River Compact Administration that will insure that Kansas is not being damaged by such operations.

Attached to this statement is a copy of a letter dated October 5, 1983, to Mr. John W. Campbell, Assistant Attorney General of Kansas from Mr. Robert N. Broadbent, Commissioner of the U.S. Bureau of Reclamation, U.S. Department of Interior in which he declined to alter the operations of Pueblo Reservoir unless directed by the State Engineer of Colorado. Also attached is a copy of a letter of response dated January 5, 1984 to Mr. Robert N. Broadbent from Carl E. Bentrup, Vice Chairman and Kansas Member of the Arkansas River Compact Administration objecting to Mr. Broadbent response on behalf of the Kansas Members, a letter dated January 5, 1984 to Lt. General John K. Bratton, U.S. Army Corps of Engineers signed by the Kansas Members of the Arkansas River Compact Administration which objects to the use of the flood pool of Pueblo Reservoir for any reason except for flood control and a copy of some proposed amendments to Senate Concurrent Resolution No. 1664.



United States Department of the Interior

BUREAU OF RECLAMATION  
WASHINGTON, D.C. 20240

RECEIVED  
STATE OF KANSAS

OCT 12 10 1 AM '83

OFFICE OF THE  
ATTORNEY GENERAL

BY CAMPBELL

IN REPLY  
REFER TO:

430

OCT 5 1983

Mr. John W. Campbell  
Assistant Attorney General  
Second Floor  
Kansas Judicial Center  
Topeka, Kansas 66612

Dear Mr. Campbell:

In your letter of August 2, 1983, you requested that the Bureau refuse to impound any water other than transbasin diversions in Pueblo Reservoir. This request is based on a resolution adopted by the Arkansas River Compact Administration (administration) on July 24, 1951, which states in part:

"There shall be no reregulation of the native waters of the Arkansas River as proposed in such report until the plan of operation rules, regulations, procedures and agreements in furtherance thereof, including all pertinent agreements between the Corps of Engineers and the Bureau of Reclamation shall have been submitted to and approved by the Arkansas River Compact Administration and the affected water users."

Investigations of the Gunnison-Arkansas Project were initiated during the 1930's. On April 16, 1951, the Commissioner, Bureau of Reclamation, submitted to the Secretary of the Interior the report entitled "Initial Development, Gunnison-Arkansas Project, Roaring Fork Diversion," dated January 1950. The report was retitled the "Fryingpan-Arkansas Project, Colorado" and approved and adopted by the Secretary on October 19, 1951. The report was referred to the Committee on Interior and Insular Affairs, House of Representatives, and printed as H. Doc. 187, 83d Cong. 1st sess.

The Fryingpan-Arkansas Project was authorized for construction, operation, and maintenance by Public Law 87-590, 87th Cong., H.R. 2206, August 16, 1962. In recognition of the Arkansas River Compact, the authorization states in section 5(c):



"None of the waters of the Colorado River system shall be exported from the natural basin of that system by means of works constructed under authority of this Act, or extensions and enlargements of such works, to the Arkansas River Basin for consumptive use outside of the State of Colorado, and no such waters shall be made available for consumptive use in any State not a party to the Colorado River compact by exchange or substitution; nor shall the obligations of the State of Colorado under the provisions of the Arkansas River compact (63 Stat. 145) be altered by any operations of the Frylingpan-Arkansas project (emphasis added)."

Section 8 of the Reclamation Act (Act of June 17, 1902, 32 Stat. 388) requires that the United States comply with State laws when in the construction and operation of a Reclamation project it becomes necessary to acquire water rights. Therefore, the Bureau is required to comply with Colorado State water laws. Further, by the authorization, the Bureau cannot interfere with Colorado's ability to meet its obligation to the Arkansas River Compact.

In the Substantiating Report included in H. Doc. 187, the reregulation of native flows was discussed in Chapter IV, Water Supply. The report stated that the storage rights for project reservoirs on the eastern slope would be established according to State law. Such rights would be junior to the existing rights in the Arkansas Valley but would be of value in storing floodflows, particularly during years of high runoff. In the event that exchanges or agreements with existing water users could be worked out as encompassed in the project plan, the Arkansas River winter flows would be stored in Pueblo Reservoir and released to the present users during the succeeding irrigation season or seasons.

Storage of Arkansas River native flows for project purposes is unlikely since the project water rights are relatively junior. However, the storage of winter flows, as contemplated in H. Doc. 187, is the basis for the Winter Water Storage Program. This program, administered by a board of trustees representing the effected entities, has been in operation for about 8 years on an interim or trial basis. Each year the States of Kansas and Colorado and interested parties have been advised of the proposed operation under the program for that year.

As presented at the administration meeting on August 26, 1983, the Bureau is obligated to operate Pueblo Reservoir in accordance with Colorado State law as directed by the State Engineer.

Since the Arkansas River Compact is part of the laws of the State of Colorado, we must assume that directions by the State Engineer reflect

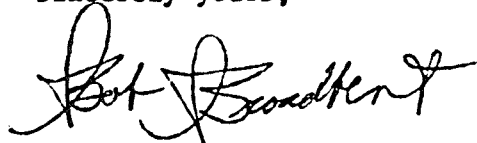
Mr. John W. Campbell

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the legal requirements of the compact. Accordingly, we respectfully decline to alter the operations of Pueblo Reservoir unless directed by the State Engineer.

Your concerns regarding the administration's resolution of July 24, 1951, would be an appropriate matter to be resolved between the States through the administration. The Regional Director, Lower Missouri Region, is available to discuss this matter further with the administration in hopes of resolving your concerns. His address is Mr. B. E. Martin, Bureau of Reclamation, P.O. Box 25247, Building 20, Denver Federal Center, Denver, Colorado 80225.

Sincerely yours,



Robert N. Broadbent  
Commissioner

cc: Regional Director, Denver, Colorado  
Kansas Reclamation Representative, Topeka, Kansas

# ARKANSAS RIVER COMPACT ADMINISTRATION

1001 S. Main Street  
LAMAR, COLORADO 81052

## KANSAS

CLYDE E. GIBSON, Topeka  
CARL E. BENTRUP, Deerfield  
Vice Chairman  
RON GLOMCO, Garden City

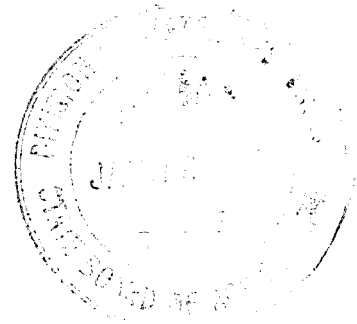
## FRANK C. COOLEY

Chairman and Federal Representative  
P.O. Box 98  
Meeley, Colorado 81641

## COLORADO

J. WILLIAM McDONALD, Denver  
CARL GENOVA, Pueblo  
LEO IDLER, Lamar  
Treasurer

January 5, 1984



Mr. Robert N. Broadbent, Commissioner  
United States Department of Interior  
Bureau of Reclamation  
Washington, D. C. 20240

Dear Commissioner Broadbent:

I am in receipt of your letter to Mr. Campbell of the Kansas Attorney General's office dated October 5, 1983. I feel obligated as a Kansas member of the Arkansas River Compact Administration to register a strong protest regarding the Bureau of Reclamation's failure to aid in the orderly and lawful administration of the Arkansas River Compact.

I wish it to be noted that it is the position of the Kansas Compact Administration members that the Arkansas River Compact takes precedence over the laws of the State of Colorado. Furthermore, the Bureau's willingness to follow the direction of the Colorado state engineer in the operation of the Pueblo Reservoir, even when contrary to the Compact, is unconscionable.

It should be further noted that the Pueblo Dam and Reservoir project is, and always has been, subject to the Compact Administration Resolution of July 24, 1951. We will continue to oppose the storage of native waters behind Pueblo Dam until such time as a plan of operation has been submitted and approved by the Compact Administration.

We regret the fact that the Bureau has chosen to close its eyes to a potential illegal situation. The Bureau's responsibility in the management of the Arkansas River goes far beyond the boundaries of Colorado. We can only hope that some day the Bureau will accept its responsibilities and proceed in the management of the River for the good of all.

*Copy made for LER, GEH*

Sincerely yours,

*Carl E. Bentrup*

Carl E. Bentrup  
Vice Chairman

Arkansas River Compact Administration

cc: Regional Director,  
Denver, Colorado  
Kansas Reclamation Representative, Topeka, Kansas

# ARKANSAS RIVER COMPACT ADMINISTRATION

1001 S. Main Street  
LAMAR, COLORADO 81052

## KANSAS

GUY E. GIBSON, Topeka  
CARL E. BENTRUP, Deerfield  
Vice Chairman  
RON OLOMON, Garden City

FRANK G. COOLEY  
Chairman and Federal Representative  
P.O. Box 98  
Meeker, Colorado 81641

## COLORADO

J. WILLIAM McDONALD, Denver  
CARL GENOVA, Pueblo  
LEO IDLER, Lamar  
Treasurer

January 5, 1984

Lt. General John K. Bratton  
Department of Defense  
United States Army  
Corps of Engineers  
20 Massachusetts Avenue, N.W.  
Washington, D. C. 20314

Dear General Bratton:

It is our understanding the possibility exists that permission may be given by the U. S. Corps of Engineers to invade the flood pool for storage of water in the Pueblo Reservoir located on the main stem of the Arkansas River. The storage would be of a short term duration and would be released prior to the flood season.

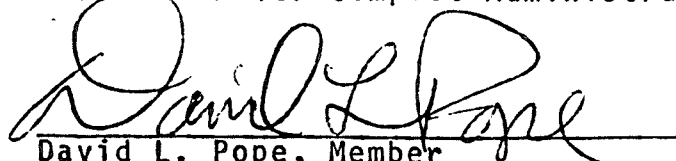
As Kansas members of the Arkansas River Compact Administration, we strongly object to the use of the flood pool for any reason except flood control. When the conservation pool has been filled with trans-mountain diversion water any inflow of water to the Pueblo Reservoir should be passed on to downstream users.

Yours truly,

cc: Frank Cooley  
J. William McDonald  
Carl Genova  
Leo Idler



Carl E. Bentrup  
Vice Chairman  
Arkansas River Compact Administration



David L. Pope, Member  
Arkansas River Compact Administration



Ronald Olomon, Member  
Arkansas River Compact Administration

Senate Concurrent Resolution No. 1664

By Committee on Energy and Natural Resources

A CONCURRENT RESOLUTION requesting the members of the Kansas congressional delegation to investigate and determine whether or not the practices of the Bureau of Reclamation and U.S. Army Corps of Engineers in operating certain projects or reservoirs comply with the provisions of the Arkansas River Compact; take whatever actions are necessary and appropriate to ensure that the Bureau of Reclamation and the U.S. Army Corps of Engineers do not allow waters of the Arkansas River to be reregulated by means of Pueblo reservoir unless and until an operating plan has been submitted to, and approved by, the Arkansas River Compact administration.

WHEREAS, The Arkansas River Compact entered into by the states of Kansas and Colorado on December 14, 1948, and ratified by the Congress of the United States on May 31, 1949, was intended to resolve a continuing controversy existing prior to such dates and any controversies which may arise subsequent to such dates relating to the allocation of waters of the Arkansas river between Kansas and Colorado; and

WHEREAS, The provisions of the Arkansas River Compact specifically prohibit material depletion of waters subject thereto by the state of Colorado and provide for allocation of John Martin reservoir conservation benefits based upon the historical relationship of water use by the states of Kansas and Colorado; and

WHEREAS, Usable stateline streamflows have declined drastically since 1974; to such an extent that the streamflow of the Arkansas river has ceased to exist from the Colorado-Kansas border to Garden City, Kansas; and

WHEREAS, Two federal agencies, the Bureau of Reclamation and the U.S. Army Corps of Engineers, are responsible for the operation of projects or reservoirs which affect the stateline streamflows of the Arkansas river, namely, the ~~Trinidad project and the~~ Pueblo and John Martin reservoirs; ~~Now, therefore,~~

WHEREAS, A resolution was adopted by the Arkansas River Compact administration on July 24, 1951, which states in part, "There shall be no reregulation of the native waters of the Arkansas river as proposed in such report until the plan of operation rules, regulations, procedures and agreements in furtherance thereof, including all pertinent agreements between the Corps of Engineers and the Bureau of Reclamation, shall have been submitted to and approved by the Arkansas River Compact administration and the affected water users."; and

WHEREAS, On March 25, 1983, the state of Colorado refused to approve a motion submitted to the Arkansas River Compact administration requiring the state of Colorado to have such operating plan approved prior to the reregulation of any of the waters of the Arkansas river by means of Pueblo reservoir; and

WHEREAS, The Arkansas River Compact administration has never approved any operating plan for the operation of Pueblo nor has any such operating plan been submitted to the Arkansas River Compact administration by the state of Colorado; and

WHEREAS, Section 5(c) of the authorization for the Fryingpan-Arkansas project (PL 87-590), provides, in part, "nor shall the obligations of the state of Colorado under the provisions of the Arkansas River Compact (63 Stat. 145) be altered by any operations of the Fryingpan-Arkansas project."; ~~Now, therefore,~~

Be it resolved by the Senate of the State of Kansas, the House of Representatives concurring therein: That we respectfully request the members of the Kansas Congressional Delegation to investigate and determine whether or not the administrative take whatever actions are necessary and appropriate to ensure that the practices of the Bureau of Reclamation and the U.S. Army Corps of Engineers with respect to their respective responsibilities relating to operation of the Trinidad project and the Pueblo and John Martin reservoirs comply with the spirit and intent of the Arkansas River Compact do not allow waters of the Arkansas River to be reregulated by means of Pueblo reservoir unless and until an operating plan has been submitted to, and approved by, the Arkansas River Compact administration.

Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to each member of the Kansas Congressional Delegation.



# HOUSE BILL No. 2641

By Special Committee on Energy and Natural Resources  
Re Proposal No. 20

12-19

Attachment 2

0016 AN ACT relating to natural gas; concerning the use of natural gas  
0017 for agricultural irrigation purposes; conferring certain powers and  
0018 and duties on the state corporation commission.

0019 *Be it enacted by the Legislature of the State of Kansas:*

0020 Section 1. (a) It is hereby declared to be in the public inter-  
0021 est to use natural gas on the land in which the gas is produced  
0022 and on land in a proven field on which gathering pipelines are  
0023 located for the purpose of pumping groundwater to the surface to  
0024 irrigate such land for agricultural purposes.

0025 (b) Upon request, any person owning or operating a well  
0026 from which natural gas is produced, sold or used off the land on  
0027 which such well is located shall make available from the pro-  
0028 duction of the well sufficient gas to operate engines used to  
0029 pump groundwater to the surface for irrigation of the land used  
0030 for agricultural purposes. All installation costs, including the cost  
0031 of the gas meter, shall be borne by the person at whose request  
0032 the gas is furnished.

0033 (c) Upon request, any person owning or operating a natural  
0034 gas gathering pipeline located on land in a proven gas field, shall  
0035 furnish sufficient gas to operate engines used to pump ground-  
0036 water to the surface for irrigation of the land used for agricultural  
0037 purposes. The owners or operators of such gathering lines shall  
0038 make connection and furnish the gas meter, but all costs of  
0039 installation, including the cost of the gas meter, shall be borne by  
0040 the owner or operator of such irrigation well.

0041 (d) If the parties agree, an hour meter may be substituted on  
0042 such engine in lieu of a natural gas meter as a method of  
0043 measuring the amount of the gas so used.

(b) Upon request and subject to entering into an irrigation contract, any person owning ~~or operating a well from which~~ natural gas which is produced, sold or used off the ~~land on which such~~ producing unit from a primary natural gas well located on said unit shall make available from the production of the well sufficient gas to operate engines used to pump groundwater to the surface for irrigation of the land within the producing unit used for agricultural purposes. All installation, service and repair costs, including the cost of the purchasing, installation and repairing of the gas meter, shall be borne by the person at whose request the gas is furnished, and the cost of the meter and installation shall be paid prior to the completion of any installation.

(c) The volume of gas required to be sold to any person under this act shall not exceed a volume equal to the volume equivalent of the royalty interest attributable to the tract which is being irrigated.

(ed) Upon request, any person owning or operating a dry natural gas gathering pipeline for primary gas wells located on land in a proven gas field, shall furnish sufficient gas to operate engines used to pump groundwater to the surface for irrigation of the land used for agricultural purposes. The owners or operators of such gathering lines shall make connection and furnish the gas meter, but all costs of connection and meter equipment and its installation, service and repair installation, including the cost of the gas meter, shall be borne by the owner or operator of such irrigation well.

(e) The title and all liability connected with the natural gas, or use thereof, delivered under the terms of this act shall pass to the person taking delivery of the gas at the point of said delivery.

(df)

Atch. 2

0044 (e) The price for any natural gas furnished by a producer from  
 0045 a well pursuant to subsection (b) shall be equal to the average  
 0046 price received by the producer for production from such well.  
 0047 The price for any natural gas furnished from a gathering pipeline  
 0048 pursuant to subsection (c) shall be equal to the contract price or  
 0049 tariff filed by the pipeline owner with the state corporation  
 0050 commission.

0051 (f) The state corporation commission shall have jurisdiction  
 0052 over the sales of natural gas pursuant to this act. The state  
 0053 corporation commission shall adopt any rules and regulations  
 0054 necessary to enforce the provisions of this act.

0055 (g) Nothing in this act shall create in any manner an obliga-  
 0056 tion or duty on the part of the operator of any well or gathering  
 0057 pipeline, who furnishes gas under the provisions of this act, to  
 0058 assume in any way public utility duties to the public at large,  
 0059 except as such duties may arise from such operator's acts sepa-  
 0060 rate and apart from any performance of obligations imposed  
 0061 under this act.

0062 (h) The provisions of this act shall apply only to natural gas  
 0063 not under the jurisdiction of the federal energy regulatory com-  
 0064 mission.

0065 Sec. 2. This act shall take effect and be in force from and  
 0066 after its publication in the statute book.

(eg) The price for any natural gas furnished by a  
 producer from a well pursuant to subsection (b) shall  
 be equal to the greater of the average price received  
 by the producer for production from such well, plus  
<sup>\$10.</sup> per month charge for operating overhead costs,  
or the price used to determine the royalty paid to the  
mineral owner on natural gas sold from said well plus  
<sup>\$10.</sup> per month charge for operating overhead costs.  
 The price for any natural gas furnished from a gathering  
 pipeline pursuant to subsection (ed) shall be equal to  
 the contract price or tariff filed by the pipeline owner  
 with the state corporation commission.

(fh)

(gi) Nothing in this act shall create in any manner  
 an obligation or duty on the part of the operator of any  
 well or gathering pipeline, who furnishes gas under the  
 provisions of this act, to assume in any way public  
 utility duties to the public at large. ~~except as such  
 duties may arise from such operator's acts separate and  
 apart from any performance of obligations imposed under  
 this act.~~

(hj) The provisions of this act shall not apply  
only to natural gas not under the jurisdiction of the  
federal energy regulatory commission, and shall not  
apply to any Kansas regulated public utility.