

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Sen. Pat Ranson at 1:30 p.m. on March 9, 2000 in Room 231-N of the Capitol.

All members were present except:

Sens. Hensley and Salisbury were excused

Committee staff present:

Lynne Holt, Legislative Research Department

Mary Torrence, Revisors of Statute Office

Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:

Teresa Splane, Contractor, Splane Pulling and Roust About Service, Inc., Chanute

Keith Splane, Contractor, Splane Pulling and Roust About Service, Inc., Chanute

Maurice Korphage, Director of Conservation, Kansas Corporation Commission

Others attending:

See attached list

Sen. Ranson asked the pages assisting the committee today to introduce themselves. Sen. Ranson announced the committee will hold a public hearing regarding the issue of plugging of abandoned wells and introduced the following:

Teresa Splane, (Attachment 1)

Keith Splane, (Attachment 2)

Mrs. Splane also provided a Summary of Contracts (Attachment 3) which she explained to the committee and pointed out several irregularities. In answer to a question from Sen. Barone regarding bid procedures, Mrs. Splane stated they did not know how to receive bids and they were not able to get that information from the District 3 office. Subsequently, they are now taking bid information from the web site. Sen. Ranson questioned if the same people are in the District 3 office (Chanute) and operating in the same way. Mrs. Splane responded that the same people are in the office, and it is operating in the same manner. Mrs. Splane stated to make the bids more competitive and fair, the bidding should be based on the price per well or by the hour. Committee members questioned Mr. Splane regarding well plugging and he told of obstacles in the trade and of a new piece of equipment he has devised, called a "plugger one", which can run pipe and pump cement; however, the State will not allow him to use it for state plugging projects. Mr. Splane also contracts with private companies and bids by the well or by the hour, which he says allows the wells to be plugged at a much cheaper rate.

Sen. Clark asked why a well would be drilled out, after it has been plugged, and Mr. Splane answered he has asked the same question. Sen. Clark also questioned him regarding putting bids out for plugging 26 well, and the number is increased to 111. Mr. Splane did not have an answer for that either. Sen. Morris stated the KCC has identified approximately 100,000 wells as difficult to locate. Mr. Splane stated he has found all wells shown on the map; however, he has had to search for them on foot, as they are under trees, bushes and weeds, etc.; they also discussed locating wells in rivers and streams. Sen. Ranson asked Mr. Splane if he believes there are an adequate number of well pluggers in the state, and Mr. Splane answered there are three pumping companies in the Chanute area.

Sen. Ranson introduced Maurice Korphage, who showed slides regarding the Conservation Division's "Abandoned Well and Site Remediation Fund" (Attachment 4).

Sen. Ranson announced the hearing will continue Monday and asked Mr. Korphage to return for questions and discussion.

Meeting adjourned at 2:30.

Next meeting will be March 13.

CONTINUATION SHEET

MINUTES OF THE SENATE UTILITIES COMMITTEE, Room 531-N Statehouse, at 1:30 p.m.
on March 9, 2000.