

HOUSE RESOLUTION No. 6024

A RESOLUTION concerning information provided to royalty interest owners by oil and gas producers.

WHEREAS, Oil and gas royalty interest owners requested introduction of 2005 House Bill No. 2146; and

WHEREAS, Enactment of the bill was sought as a means of requiring oil and gas producing companies to provide specific information on royalty check stubs; and

WHEREAS, The House Committee on Utilities held a hearing on 2005 House Bill No. 2146 and received testimony from royalty interest owners and from oil and gas producers; and

WHEREAS, Testimony presented to the Committee made it clear that finding a solution to the problem presented by the royalty owners would not be simple because of the variety of accounting and reporting practices used by the large number of companies in the oil and gas industries; and

WHEREAS, The Chairman of the House Committee on Utilities appointed a subcommittee to explore possible solutions to the problem presented by royalty interest owners that would be workable for producers; and

WHEREAS, The subcommittee having met twice and having received additional testimony from both sides of this issue has concluded that with additional diligent effort the parties will be able to reach an agreement regarding statutory requirements for information to be provided on royalty check stubs: Now, therefore,

*Be it resolved by the House of Representatives of the State of Kansas:* That a task force be formed to identify a solution to the issues presented during hearings on 2005 House Bill No. 2146; and

*Be it further resolved:* That the task force be composed of two representatives of the Southwest Kansas Royalty Owners and one representative each of the Southeast Kansas Royalty Owners, the Kansas Independent Oil and Gas Association, the Kansas Petroleum Council, the Eastern Kansas Oil and Gas Association, the State Corporation Commission, the Kansas Department of Revenue and the Kansas Geological Survey; and

*Be it further resolved:* That the task force be chaired by one of the state agency representatives designated by agreement of such representatives; and

*Be it further resolved:* That the task force encourage the National Association of Royalty Owners and the Interstate Oil and Gas Compact Commission to develop uniform standards for producers to use when reporting information to royalty interest owners; and

*Be it further resolved:* That the task force report in writing to the Chairman of the House Committee on Utilities after each task force meeting and submit a final report, with recommendations, to the Chairman prior to the convening of the 2006 regular legislative session.

House Resolution No. 6024 was sponsored by Committee on Utilities.

I hereby certify that the above RESOLUTION originated in the HOUSE, and was adopted by that body

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*Speaker of the House.*

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*Chief Clerk of the House.*