

Approved: Carl Holmes
Date 1-26-93

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Carl Holmes at 3:30 p.m. on January 21, 1993 in Room 526-S of the Capitol.

All members were present except: Chairperson Holmes, excused
Rep. Grotewiel, excused
Rep. Ruff, excused

Committee staff present: Raney Gilliland, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Cindy Garland, Committee Secretary

Conferees appearing before the committee: Bill Bryson, Director of Conservation Division,
Kansas Corporation Commission
Don Schnacke, Kansas Independent Oil & Gas Assoc.

Others attending: See attached list

Vice-Chairperson Hendrix opened the hearing on HB 2031.

HB 2031 - An act relating to oil and gas; concerning disposal wells; amending K.S.A. 55-1005 and repealing the existing section; also repealing K.S.A. 55-1006.

Bill Bryson, Director of the Conservation Division for the Kansas Corporation Commission, testified in support of HB 2031. Mr. Bryson stated this bill calls for repeal of K.S.A. 55-1006 which outlined the duties and responsibilities of what has been known as the Three Agency Committee. This measure was vetoed last year under HB 2889 due to concerns of the Governor regarding language of one sentence in K.S.A. 55-1006. The Commission has no objection if this Committee would amend this sentence from K.S.A. 55-1006 into K.S.A. 55-1005. Mr. Bryson then responded to questions from the Committee. (Attachment 1).

Don Schnacke, Kansas Independent Oil & Gas Association, testified in support of HB 2031. Mr. Schnacke read the veto message from the Governor and explained the shift in responsibilities and duties from the Three Agency Committee to the Kansas Corporation Commission. (Attachment 2)

The Vice-Chair closed the hearing on HB 2031.

Vice-Chairperson Hendrix opened the hearing on HB 2032.

HB 2032 - An act concerning oil and gas; relating to the advisory committee on regulation of oil and gas activities; amending K.S.A. 55-153 and repealing the existing section.

Bill Bryson, Director of the Conservation Division for the Kansas Corporation Commission, testified in support of HB 2032. He stated that through HB 2032, the Commission is seeking an amendment to K.S.A. 55-153 to replace the Mid-Continent Oil and Gas membership specification for the Oil and Gas Advisory Committee with the Kansas Petroleum Council. (Attachment 3)

The Vice-Chair closed the hearing on HB 2032.

Vice-Chairperson Hendrix opened the hearing on HB 2033.

HB 2033 - An act concerning oil and gas; relating to abandoned wells; amending K.S.A. 1992 Supp. 55-179 and repealing the existing section.

Bill Bryson, Director of the Conservation Division for the Kansas Corporation Commission, testified in support of HB 2033. He stated that this bill proposes amendments to K.S.A. 1989 (1992) Supp. 55-179 relating to responsibility for pollution from abandoned wells. The proposed amendment in HB 2033 would change the language from "shall include" in K.S.A. 1989 (1992) Supp. 55-179 (b) back to its original language "may include" appearing in K.S.A. 55-140, thus reducing the amount of time spent on any one investigation and allowing time for more productive pursuits. Mr. Bryson then responded to questions from the Committee. (Attachment 4).

The Vice-Chair closed the hearing on HB 2033.

The meeting adjourned at 4:15 p.m.

GUEST LIST

COMMITTEE:

Energy & Natural Resources

DATE:

Jan 21, 93

[illegible]

TESTIMONY ON HOUSE BILL 2031

BY THE KANSAS CORPORATION COMMISSION
PRESENTED BEFORE THE HOUSE ENERGY AND
NATURAL RESOURCE COMMITTEE

January 21, 1993

I am Bill Bryson, Director of the Conservation Division for the Kansas Corporation Commission. I am appearing on behalf of the Commission in favor of HB 2031

House Bill 2031 calls for repeal of K.S.A. 55-1006 which outlined the duties and responsibilities of the Kansas Department of Health and Environment, Kansas Geological Survey and Kansas Water Resources Board (now Kansas Water Office) in establishing minimum depths for disposal of oil field brine. This group of agencies known as the Three Agency Committee actively functioned from the late 1950's to 1982 when the Legislature established the ten member Oil and Gas Advisory Committee to the Commission. The Three Agency Committee hasn't met officially since 1981. The Oil and Gas Advisory Committee has as members these three agencies plus the Division of Water Resources, (DWR) and a representative of the Groundwater Management Districts. The role of the Advisory Committee as established through K.S.A. 55-153 now serves the same purpose as the former Three Agency Committee.

The KCC Oil and Gas Advisory Committee has a statutory mandate to meet quarterly and it has done so since July 1982. Although the Oil and Gas Advisory Committee was originally established to advise the Commission on water protection matters pertaining to oil and gas regulation, the Commission has this group approve all regulations (Conservation and Water Protection) before proceeding through the process.

The reference in K.S.A. 55-1005 to the same three agencies, along with KCC establishing minimum surface pipe depths is also a function of the Oil and Gas Advisory Committee. House Bill 2031 is also intended to recognize this area of duplication by amending reference to the Three Agency Committee out of K.S.A. 55-1005. The deletion of language in K.S.A. 55-1005 and the repeal of 55-1006 should have taken place in 1982 during the passage of Substitute Senate Bill 498 which established a joint oil and gas regulatory program between KCC and KDHE. Due to an oversight, removal of these statutory passages was also omitted in 1986 when HB 3078 transferred the authority for all oil and gas regulation from KDHE to the Commission.

The Governor vetoed this measure last year under HB 2889 because of concerns expressed to her over one sentence in K.S.A. 55-1006 which required the Commission to make mandatory inspections of disposal wells to determine compliance with minimum disposal depths. The Commission has no objection if this committee would amend this sentence from K.S.A. 55-1006 into K.S.A. 55-1005.

*House E & NR 1-21-93
Attachment 1*

HOUSE BILL No. 2031

By Committee on Energy and Natural Resources

1-12

8 AN ACT relating to oil and gas; concerning disposal wells; amending
9 K.S.A. 55-1005 and repealing the existing section; also repealing
10 K.S.A. 55-1006.

11
12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 55-1005 is hereby amended to read as follows:

14 55-1005. ~~On and after July 1, 1957,~~ It shall be unlawful to use
15 wells for the disposal of salt brines or other oil field wastes which
16 do not meet the requirements for minimum depth established by
17 the *rules and* regulations of the corporation commission ~~pursuant~~
18 ~~to the provisions of K.S.A. 55-1006.~~ Any person, firm, partnership,
19 association or corporation violating the provisions of this act, shall
20 be deemed guilty of a misdemeanor and upon conviction, shall be
21 punished by a fine of not less than ~~fifty dollars (\$50)~~ \$50 nor more
22 than ~~five hundred dollars (\$500)~~ \$500. Each day of violation shall
23 be considered to constitute a separate offense.

24 Sec. 2. K.S.A. 55-1005 and 55-1006 are hereby repealed.

25 Sec. 3. This act shall take effect and be in force from and after
26 its publication in the statute book.

The state corporation commission shall inspect such disposal wells to ascertain whether they meet said requirements for minimum depth.

1-2

the credit union administrator; amending K.S.A. 17-2204, 17-2206, 17-2209, 17-2212, 17-2214, 17-2215a, 17-2216, 17-2216a, 17-2217, 17-2226, 17-2227, 17-2228, 17-2230, 17-2231, 17-2232, 17-2233, 17-2234, 17-2236, 17-2240, 17-2241, 17-2242 and 17-2244 and K.S.A. 1991 Supp. 17-2246 and repealing the existing sections; also repealing K.S.A. 17-2247 and 17-2249 and K.S.A. Supp. 17-2248, was received and read.

Message to the House of Representatives of the State of Kansas:

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I am vetoing HB 2726 which amends 26 statutes relating to the regulation of Kansas state chartered credit unions and the role of the Credit Union Council.

While some of the technical changes have merit, I strongly object to the portion of the bill that takes away from member credit unions certain rights to due process for appeals to the Credit Union Council from rulings, orders and decisions of a single administrator.

Current law provides a check on any overzealous administrator by enabling a credit union to appeal cease and desist orders or orders for corrective action to the Credit Union Council which must conduct hearings pursuant to the Kansas Administrative Procedures Act. Such checks are, at a minimum warranted, considering the magnitude of the potential adverse effect such orders can have upon the financial integrity of a credit union.

I further object to provisions of the bill which dramatically change the process of appointing members of the seven-member Credit Union Council. The bill requires that only Kansas State Chartered Credit Unions may submit names to the Governor for appointments to the Council, including names to be considered for representatives of the public-at-large. It is, at best, bad policy to provide that only the regulated Kansas State Chartered Credit Unions themselves may select persons to sit on the oversight panel.

For these reasons, I am vetoing HB 2726.

JOAN FINNEY
Governor

Dated: April 9, 1992

VETO MESSAGE FROM THE GOVERNOR

The following message with the Governor's objection to HB 2889, An act relating to oil and gas; concerning disposal wells; amending K.S.A. 55-1005 and repealing the existing section; also repealing K.S.A. 55-1006, was received and read.

Message to the House of Representatives of the State of Kansas:

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I am vetoing HB 2889 which eliminates a three-agency committee to determine minimum safe depths for the disposal of saltwater and other oil field waste.

I object to this bill for the following reasons.

In my judgment, the Kansas Water Office, the Kansas Department of Health and Environment and the Kansas Geological Survey should participate and share responsibility in determining minimum safe disposal depths and procedures to ensure maximum protection of the quality of invaluable water resources in Kansas.

I do not imply that the Kansas Corporation Commission is not capable of making determinations in this regard.

However, when standards and procedures are the product of deliberations and determinations by state agencies with expertise in water quantity, water quality and geology, one is given greater assurance that all environmental and water resource protection issues have been balanced and have received proper weighting in consideration.

Should there be further interest in pursuing this proposed change in the law, I request that the issue be considered more fully during the interim of 1992 as the larger issue of the merits of creating a separate Department of the Environment is studied.

For these reasons, I am vetoing HB 2889.

JOAN FINNEY
Governor

Dated: April 10, 1992

VETO MESSAGE FROM THE GOVERNOR

The following message with the Governor's objection to HB 3092, An act establishing the Kansas school board development program, was received and read.

Message to the House of Representatives of the State of Kansas:

Pursuant to Article 2, Section 14 of the Constitution of the State of Kansas, I am vetoing HB 3092 which authorizes the State Board of Education to prescribe standards for "development activities" and requires local school district board of education members to earn a minimum of 10 credit hours of board development each year.

I object to this bill for the following reasons.

This legislation represents an onerous presumption that one body of government knows better than the people themselves what kind of qualifications individuals should possess to properly serve and govern.

Where voters have participated to choose and elect persons to represent them, let no others in Kansas attempt to second guess or require something of those elected that the voters themselves have not required of their choices.

I remain firm in my conviction that the instincts of the people are right; that the wisdom of the electorate is infallible; and I respect the intelligence of the voters in determining, by their own standards, who shall represent them.

For these reasons, and the unmovable belief that there should be no tampering after the people have spoken in an election, I am vetoing HB 3092.

JOAN FINNEY
Governor

Dated: April 10, 1992

MESSAGE FROM THE SENATE

The Senate concurs in House amendments to SB 598.

The Senate concurs in House amendments to SB 627, and requests return of the bill.

The Senate concurs in House amendments to SB 676, and requests return of the bill.

The Senate adopts conference committee report on SB 455.

The Senate adopts conference committee report on SB 495.

The Senate adopts conference committee report on SB 607.

The Senate nonconcurs in House amendments to SB 182, requests a conference and has appointed Senators Ehrlich, Langworthy and Walker as conferees on the part of the Senate.

The Senate adopts conference committee report on HB 2720.

The Senate adopts conference committee report on HB 3015.

The Senate adopts conference committee report on HB 3079.

Also, announcing passage of SB 684.

Announcing passage of HB 2674, as amended; HB 3187, as amended.

The Senate adopts conference committee report on HB 2663.

House E & NR 1-21-93
Attachment 2

**TESTIMONY ON HOUSE BILL 2032
BY THE KANSAS CORPORATION COMMISSION
PRESENTED BEFORE THE HOUSE ENERGY AND
NATURAL RESOURCE COMMITTEE
January 21, 1993**

I am Bill Bryson, Director of the Conservation Division for the Kansas Corporation Commission. I am appearing on behalf of the Commission in favor of House Bill 2032.

The 1982 Kansas Legislature established a ten member Oil and Gas Advisory Committee in Substitute Senate Bill 498 to advise the Commission on technical matters related to fresh and usable water protection as it affects oil and gas field regulation. One of the members of this advisory committee is the Mid-Continent Oil and Gas Association. At their annual meeting in October 1992, Mid Continent voted to drop Kansas from its membership and consequently no longer represents industry interests in Kansas.

Through House Bill 2032, the Kansas Corporation Commission is seeking an amendment to K.S.A. 55-153 to replace the Mid-Continent Oil and Gas membership specification with the Kansas Petroleum Council. The Kansas Petroleum Council has been given the responsibility of looking after major oil company interest in Kansas and, therefore, carries out activities previously done by the Mid-Continent Oil and Gas Association. These activities include all industry concerns over environmental and water resource protection.

The proposed amendment reflects the proper major industry group for which Oil and Gas Advisory Committee membership should be given. This change has no organizational impact on the Commission. Additionally, there is no fiscal impact on either the Commission or the industry.

*House E & NR 1-21-93
Attachment 3*

TESTIMONY ON HOUSE BILL 2033
BY THE KANSAS CORPORATION COMMISSION
PRESENTED BEFORE THE HOUSE ENERGY AND
NATURAL RESOURCE COMMITTEE

January 21, 1993

I am Bill Bryson, Director of the Kansas Corporation Commission's Conservation Division and am appearing on behalf of the Commission in support of House Bill 2033. This bill proposes amendments to K.S.A. 1989 Supp. 55-179 relating to responsibility for pollution from abandoned wells.

The proposed amendment in House Bill 2033 to K.S.A. 1989 Supp. 55-179 would change the language "shall include" in paragraph (b) to "may include" for determining legally responsible party. This would change the wording of 55-179 (b) back to what it was prior to the passage of HB 3078 in 1986 when the term "may include" appeared in K.S.A. 55-140. Attached are copies of the repealed statute 55-140 and 55-179 as amended in 1986. The portions of both statutes which are the subject of this discussion have been highlighted. We have also attached a copy of the fiscal impact statement prepared for testimony on Senate Bill 677 last year.

K.S.A. 1989 Supp. 55-179 (b) currently specifies that the determination of legally responsible person shall include, but not be limited to:

- (1) any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water;
- (2) The current or last operator of the lease upon which the well is located, irrespective of whether such operator plugged or abandoned the well, and
- (3) the original operator who plugged or abandoned the well.

From a practical standpoint the Commission has primarily viewed the current or last operator of the lease upon which the well is located as the legally responsible person, largely because the statute indicates that the current or last operator can be considered "irrespective of whether such operator plugged or abandoned such well." The KCC is concerned about using the necessary practical approach when the statute dictates otherwise.

The proposed amendment would reduce the amount of time spent on any one investigation, allowing either more investigations to proceed or more time to be spent in administering and conducting field surveillance in other program areas. An immeasurable fiscal impact of retaining the current statutory language is that the Commission staff cannot investigate and resolve as many abandoned well problems each year. We would rather address the potential environmental harm through field investigation and plugging that tie up staff resources in often unproductive research of potentially responsible parties.

House E & NR 1-21-93
Attachment 4

APPENDIX

Fiscal Impact

The proposed amendment of K.S.A. 1989 Supp. 55-179 will reduce the Commission's expenditure of investigation and hearing time in determining legal responsibility. A typical investigation currently takes approximately 50 man-hours of field personnel time valued at an average of \$35.00 per hour. Preparation for and hearing takes approximately 29-45 man-hours of legal staff time valued at \$33.00 per hour. A couple of years ago, KCC did a random survey of two areas in Eastern Kansas to determine how much personnel time would be spent on researching responsible party as directed by the current wording of K.S.A. 55-179 (b). Table I shows the result of the survey and is representative of what effort is currently required in Eastern Kansas. Table II shows a page from A portion of the FY 1992 Fee Fund expenditure report and is intended to illustrate how the amount of time spent by field office and legal staff can actually exceed the cost of plugging the well with Fee Fund money.

The number of potentially responsible persons reviewed can vary with the age of the well, but typically involves investigation of at least four persons and as Table I and II indicates, a lot more in Eastern Kansas. District #3 is in Eastern Kansas. The proposed amendment should reduce these costs by approximately two-thirds for a savings of \$2,000 for each typical investigation and hearing. In FY 1991, approximately 124 investigations were conducted and in the first half of FY 92 approximately 69 investigations were conducted. In FY 1991, one lease had 69 wells to plug with Fee Funds and different operators had completed wells at different times over a 60 year period. Some of the wells were not included in later activities by the lease operators.

TABLE I

MONTGOMERY COUNTY - 9 LEASES

1. Percent of last owner, 89% correct
2. Percent of all owner, 22% correct
3. Number of times lease changed ownership, average - 18.1
4. Time spent to determine last owner, average - 1.75 hours
5. Time spend to determine all owners, average - 31.6 hours

COFFEY COUNTY (LEROY FIELD) - 19 LEASES

1. Percent of last owner, 57.9% correct
2. Percent of all owners, 15.7% correct
3. Number of times lease changed ownership, average - 11.3
4. Time spent to determine last owner, average - 2.0 hours
5. Time spent to determine all owners, average - 22.6 hours

TOTAL SURVEY

1. Percent of last owner, 73% correct
2. Percent of all owner, 18.8 correct
3. Number of time lease changed ownership - average 14.7
4. Time spent to determine last owner - average 1.87 hours
5. Time spent to determine all owners - average 27.1 hours

FEE FUND FY 93

<u>DIST</u>	<u>REQ</u>	<u>LEASE</u>	<u>EST EXP</u>	<u>ACTUAL</u>
<u>OFF</u>	<u>DATE</u>	<u>NAME</u>		<u>TOTAL</u>
3	1/19/93	ANN MEIN B#1	1242.50	
2	1/21/93	BOGNER	2990.00	
3	4/21/92	BOTTS	4925.00	3186.05
3	3/6/92	BURNS MPR 3	2500.00	
3	3/26/92	BYRON REARDON	6236.00	4682.35
3	8/20/92	CHERRYVALE H.S.OG 1	3233.00	
3	10-8-91	CHIPLEY OW 1	2815.00	2815.00
3	12/17/91	CLARK 01	5367.00	2861.95
3	1/19/93	COUGAR #1	2130.00	
3	12/4/92	ESTES OG 1	5086.00	
4	6/29/92	EVERGREEN	28282.53*	28244.17
		Buy back of excess		<9585.00>
		material on the Evergreen		
3	6/18/92	FAIRFAX	6286.12	8956.29
3	1/19/93	FIVECOATS #1	6940.00	
3	10/5/92	FRAKER OW 10	3747.00	
1	10/6/92	GATES #2 SWD	21311.00	
3	9/30/92	GILE OW 1	3340.00	
3	6/16/92	GORDON 1	2675.00	2346.36
3	6/16/92	GORDON 2	5400.00	6838.65
3	6/16/92	GORDON 3	5050.00	8359.00
3	6/16/92	GORDON 4	5112.50	6885.48
3	6/16/92	GORDON 5	5575.00	7050.75
2	9/3/92	HART SWDW NO 2	2547.00	2447.50
4	12/17/92	HOFFMAN D-1	3600.00	
3	7/9/92	HOWARD OW1-92	2455.00	2434.50
3	9/30/92	INDEPENDENCE AIRPORT OW1	5842.00	5635.97
3	10/14/92	INDEPENDENCE AIRPORT OW2	5842.00	4927.77
3	10/14/92	INDEPENDENCE AIRPORT OW3	5842.00	4142.36
3	11/12/92	INDEPENDENCE AIRPORT OW4	5732.00	4197.95
3	11/13/92	INDEPENDENCE AIRPORT OW5	5707.00	4098.50
4	10/26/92	KARLIN OWWO #1	4370.38	
2	9/3/92	L WATERFLOOD L19-3	4600.00	4801.50
2	9/3/92	L WATERFLOOD L19-4	7455.00	4646.70
2	9/3/92	L WATERFLOOD L19-8	7315.00	9369.55
2	9/3/92	L WATERFLOOD L19-9	7490.00	4406.10
4	FY92	LONG RIFLE	789.84*	1084.00
2	11/13/92	LOYD TWIN #1-B	6181.00	
1	3/89	MACKSVILLE	12000.00	4380.26**
3	6/1/92	MARY HALL 2	2165.00	1443.70
3	6/1/92	MARY HALL 3	3882.50	2478.00
3	6/1/92	MARY HALL 4	3890.00	2488.70
3	10/9/91	MCDONALD	8193.80*	
4	12/17/92	MEITNER A	42000.00	
3	10/26/92	MIH OW 4	790.50	
3	11/13/92	MILLER OW 1	10095.00	
3	1/19/93	MILLER #1	3780.00	
3	1/19/93	MILWARD #1	3780.00	
3	1/19/93	OLSEN OW-1-92	1147.75	

FEE FUND FY 93

<u>DIST</u>	<u>REQ</u>	<u>LEASE</u>	<u>EST EXP</u>	<u>ACTUAL</u>
<u>OFF</u>	<u>DATE</u>	<u>NAME</u>		<u>TOTAL</u>
3	1/19/93	OLSEN OW-2-92	1147.75	
3	1/19/93	OLSEN OW-4-92	1147.75	
3	1/19/93	OLSEN OW-5-92	1147.75	
4	12/17/92	ORDWAY A-4	3600.00	
4	12/17/92	ORDWAY I-1	3600.00	
4	9/28/92	PLANTE A-5	3600.00	
4	9/28/92	PLANTE A-6	3600.00	
4	9/28/92	PLANTE WSW	3600.00	
3	3/6/92	REDBURN OW 1	3247.75	
3	8/3/92	RELPH OG 1	3900.00	2800.35
3	3/26/92	ROGERS(WINGATE)	9804.22*	9523.60
1	5/7/92	SHRIWISE B1SWD	2006.00	2448.33
1	10/26/92	STREMEL #1-R	1903.56	
1	11/13/92	TINDALL OWWO 1	4860.06	
3	1/19/93	VAN DE GRIFT OW-1	3500.00	
4	9/28/92	VOHS E-1	3600.00	
4	9/28/92	VOHS E-2	3600.00	
3	12/17/91	WOLF 01	5640.00	3006.75
3	10/26/92	Y-NOT RANCH NO. 1	6189.50	

APPROVED EST TO DATE:

367,430.76

TOTAL AMOUNT EXPENDED:

162,988.14

LESS MACKSVILLE:

355,430.76

158,607.88

* Adjusted estimate for projects carried over into FY 93 from FY 92. 1992 expended amount deducted from original requested estimate.

<> Not subtracted from Actual Total. The selling of excess material does not result in 'money back in our pocket'. Rather it reflects as a credit on the well only.

** To Date January 21, 1993

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FEE FUND FY 92

DIST OFF	REQ DATE	LEASE NAME	EST EXP	COMMENTS	ACTUAL TOTAL
3	9/4/91	ARRIS SIGLE	LOCAL		180.00
3	3/3/92	B. BEURSKENS	5275.00	OW 1	4422.10
3	3/3/92	B. BEURSKENS	5275.00	OW 2	3960.50
4	3/26/92	BALTHAZOR 1	3240.00		4747.47
3	4/21/92	BOTTS	4925.00		NEXT FY
3	9/13/91	BROOKS 1	3800.00		3369.20
3	9/13/91	BROOKS 2	5400.00		3728.21
3	9/13/91	BROOKS 3	5700.00		3778.71
3	7/12/91	BURKART FARM	15000.00		12109.78
3	3/6/92	BURNS MPR 3	2500.00		NEXT FY
3	10/9/91	BURRIS OW-1-91	2621.00		1065.40
3	1/15/92	BURTISS OW 8	3873.50	CANCELLED 4/92	- 0 -
3	3/26/92	BYRON REARDON	6236.00	OG-2	NEXT FY
3	10-8-91	CHIPLEY OW 1	2815.00		NEXT FY
4	5/14/92	CLAIR FOUNTAIN	12000.00		18390.42
3	12/17/91	CLARK 01	5367.00		NEXT FY
3	10-8-91	CLAUDIA MAY 2	5530.00		14147.38
3	2/7/92	CLIFFORD E. NEIS	2025.00		1286.18
2	11/19/91	COLLISON #2			868.59
3	8/13/91	D. SHARP #1	1500.00		735.44
3	8/13/91	D. SHARP #2	2390.90		1642.76
3	8/13/91	D. SHARP #3	1500.80		1393.86
3	8/13/91	D. SHARP #4	2650.70		1613.36
3	8/13/91	D. SHARP #5	1500.80		1414.86
3	8/13/91	D. SHARP #6	2650.70		1502.36
3	8/13/91	D. SHARP #7	2650.70		962.36
3	8/13/91	DEMOSS #1	3700.00		2757.00
3	9-6-91	DEMOSS #2	3500.00		2719.00
3	9-6-91	DEMOSS #3	3500.00		2284.80
3	2-11-92	DAVE DRISKELL	1189.00		2341.39
1	1-13-92	ED PETERSON	3871.72	OWWO 1	3194.59
3	9/24/91	ELK CITY #2	7206.00		6487.13
		Reimbursement 11/92 - Army Corp of Engineers			<6487.13>
4	8/8/91	ESFELD B#1	6923.00		4570.86
4	8/8/91	ESFELD B#2	6923.00		4782.11
		Buy back of excess equipment 9/91			< 700.00>
2		EQUAS BEDS		LOCAL	413.50
4	6/29/92	EVERGREEN	51650.00	21 Wells Carryover	23367.47
3	6/18/92	FAIRFAX REM	6286.12		8956.29
3	1/15/92	FRAKER OW 6	3873.50		2788.45
3	1/15/92	FRAKER OW 7	3873.50		4876.34
3	2/7/92	FRAKER OW 8	3749.00		1513.55
3	2/7/92	FRAKER OW 9	4467.00		1951.00
1	2/19/92	FRANK #2	4900.00		5733.04
3		FWLER REMED		REMEDATION	16456.10
1	8/13/91	FULTON	6453.00		4760.74
3	2/19/92	GOLLIHAR	3977.60		12350.69
3	6/16/92	GORDON 1	2675.00		NEXT FY
3	6/16/92	GORDON 2	5400.00		NEXT FY
3	6/16/92	GORDON 3	5050.00		NEXT FY
3	6/16/92	GORDON 4	5112.50		NEXT FY
3	6/16/92	GORDON 5	5575.00		NEXT FY

4-6

DIST	REQ	LEA	EST	EXP	COMM	ACTUAL
OFF	DATE	NAME				TOTAL
3	11/4/91	GRAY NO 1	3782.50			3519.50
3	11/4/91	GRAY NO 2	2408.50			5528.00
4	9/24/91	HAMMERSCHMIDT	3406.96	#1 OIL		3579.83
4	9/24/91	HAMMERSCHMIDT	2837.80	#1 SWD		3565.58
3	8/28/91	HINES OW 1	1899.00			893.00
3	9/24/91	HOLIDAY OG 1	5514.00			5837.80
3	9/24/91	HOLIDAY OW 2	4537.00			3972.50
3	9/24/91	HOLMBERG 1	3500.00			2790.07
3	9/24/91	HOLMBERG 2	3500.00			2607.59
3	9/24/91	HOLMBERG 3	3500.00			2225.64
3	9/24/91	HOLMBERG 4	3500.00			2465.50
3	9/24/91	HOLMBERG 5	3500.00			1772.35
3	9/24/91	HOLMBERG 6	3500.00			2356.05
3	9/24/91	HOLMBERG 7	3500.00			2000.00
3	10-8-91	HUGHES OW 1	4509.00			3138.85
3	2/12/92	K.C. INDUSTRIAL	861.40			4095.40
3	7/9/90	JAMES KIRK #1	2680.00			2153.06
3	8/13/91	K.DEMERITT 1	3833.50			1307.60
3	1/23/92	K-39 REMEDIA.	5625.00			5625.00
3	8/13/91	K.DEMERITT 2	3833.50			919.90
3	8/13/91	K.DEMERITT 3	3833.50			1169.45
3	8/13/91	K.DEMERITT 4	3833.50			1147.45
4	12/20/91	KELLER 1	4756.85			5020.45
3	10-8-91	KINNE 4-B	1557.75			856.15
3	10-8-91	KINNE OW 2	1557.75			843.40
4	4/21/92	KRAUS #1	4645.44			6255.58
4	11/12/91	KUPPETZ A NO 1	5504.32			7930.62
2	8/13/91	L.WATERFLOOD	3980.00	L19-1		6023.75
2	8/13/91	L.WATERFLOOD	3205.00	L19-2		2302.15
2	8/13/91	L.WATERFLOOD	3805.00	L19-5		5068.30
2	8/13/91	L.WATERFLOOD	3805.00	L19-7		5257.00
3	10-8-91	LAIRD OW 1	4509.00			5029.28
3	3/31/92	LYLE OW 1	2599.50			2599.50
3	1-13-92	LARUE OW 1	696.75			1298.80
4	FY92	LONG RIFLE GUN	6600.00	VINE LEASE		5810.16
1	3/89	MACKSVILLE				29210.36
		(HB 2791 - required payment of untimely invoice to Clark Well in the amount of \$15,685.95, to be taken out of FY 92.)				
3	6/1/92	MARY HALL 2	2165.00			NEXT FY
3	6/1/92	MARY HALL 3	3882.50			NEXT FY
3	6/1/92	MARY HALL 4	3890.00			NEXT FY
3	12/19/90	MASSEY OW 1	1700.00			1485.80
3	3/26/92	MASSEY WELL	2555.00			4097.40
3	1/15/92	MATHIAS TUCKER	3873.50	OW 9		1129.50
3	1/15/92	MATHIAS TUCKER	3873.50	OW 10		991.15
3	1/15/92	MATHIAS TUCKER	3873.50	OW 11		1032.00
3	3/9/92	MATHIAS TUCKER	4353.50	OW 12		938.65
3	10/9/91	MCDONALD	2500.00			7513.70
3	8/28/91	MIH OW 1	1656.50			1114.50
3	8/28/91	MIH OW 2	1656.50			697.60
3	3/26/92	MIH OW 3	645.50			920.30
3	9/24/91	MINNIE BROWER	3500.00			3023.61
3	12/17/91	MUELLER OW 9	2760.00			1147.00
3	12/17/91	MUELLER OW 10	2760.00			2347.00

DIST	REQ OFF DATE	LE/ NAL	EST EXP	COMM	ACTUAL TOTAL
3	12/17/91	MUELLER OW 11	2760.00		1610.00
2	8/23/91	PEARSON C-1	533.00	LOCAL	533.00
3	3/6/92	REDBURN OW 1	3247.75		NEXT FY
3	3/6/92	REDBURN OW 2	3247.75		1849.15
4	FY91	RICHMEIER PAXON INVESTIGATION			158.84
4	2/19/92	RIDLER LEASE	500.00		575.10
4	9/24/91	RITTER 1	7600.00		3408.97
		Rebuy of excess equipment	11/91	Ritter 1	<1039.34>
4	9/24/91	RITTER 2	2200.00		2201.57
		Rebuy of excess equipment	11/91	Ritter 2	<1039.34>
4	9/24/91	RITTER 3	2200.00		3111.25
		Rebuy of excess equipment	11/91	Ritter 3	<1039.32>
3	5/7/92	ROBINSON PACKER	2522.50		1582.75
3	3/26/92	ROGERS(WINGATE) (22 wells)	13750.00	To date: Carry-over	3945.78 NEXT FY
3	10-8-91	RUTTER 1	5200.00		4240.60
3	10-8-91	RUTTER 2	5200.00		3775.00
3	9/6/91	R.W.FELTS 2	5000.00	TO DATE	2596.50
3	6/1/92	SHOTGUN THORNE	2500.00		2500.00
1	1-13-92	SIEFERS B-2	5887.16		6904.30
1	5/7/92	SHRIWISE B1SWD	2006.00		NEXT FY
3	12/19/90	SMITH #2	1700.00		1533.50
3	8/13/91	SMITH 1-91	1700.00		1649.26
3	8/13/91	SMITH 2-91	1700.00		1619.26
3	8/13/91	SMITH 3-91	1700.00		1627.26
3	8/13/91	SMITH 4-91	1700.00		1628.26
3	8/13/91	SMITH 5-91	1700.00		1628.22
3	8/28/91	SNAKE PARK	1200.00		525.00
4	8/27/91	S.BITTER 5	3035.00		2870.58
4	8/27/91	S.BITTER B-9	3035.40		3048.88
4	8/27/91	S.BITTER B-15	3035.00		3458.63
3	8/13/91	SPRINGER OW 1	7500.00		3513.02
3	10-8-91	SPRINGER 1	7750.00		2573.20
4	2/19/92	STATE RIVERBED	1000.00		1086.00
		Rebuy of excess material	2/92	State Riverbed	< 254.34>
1	91/92	TOWNER	1000.00		1000.00
3	10-8-91	TRAVIS OW 1	3940.25		2784.35
3	10-8-91	WARD LEASE	3000.00		2015.00
1	3/10/92	WILDBOYS 2	5000.00		2922.63
3	8/91	WINGATE NW 1	471.50	To date:	6945.89
3	3/26/92	WINGATE OW 6	2950.05		2654.35
3	12/17/91	WOLF 01	5640.00		NEXT FY
3	10-8-91	WOODMAN OW291	2315.55		2181.00

APPROVED EST TO DATE: 552,471.47

TOTAL AMOUNT EXPENDED: 452,493.92

LESS MACKSVILLE: 414,327.27

LESS REIMBURSEMENTS: ...of 10559.47... 432,978.16

Final FY92 Update: June 30, 1992 - N. Olenick

4-8

55-140. Same; investigation by secretary or commission; findings; responsibility for remedial action; costs; hearings and orders; presumption of polluting, when. (a) Upon receipt of any complaint filed pursuant to K.S.A. 55-139, and amendments thereto, the commission or the secretary shall make an investigation for the purpose of determining whether such abandoned well is polluting or is likely to pollute any usable water strata or supply or causing the loss of usable water, or the commission or the secretary may initiate such investigation on its own motion. If the commission or the secretary shall determine:

(1) That such abandoned well is causing or likely to cause such pollution or loss; and (2)(i) that no person is legally responsible for the proper care and control of such well; or (ii) that such person so legally responsible for the care and control of such well is dead or no longer in existence or insolvent or cannot be found, then, within 60 days after completing its investigation, the commission shall plug, replug or repair such well, or cause it to be plugged, replugged or repaired, in such a manner as to prevent any further pollution or danger of pollution of any usable water strata or supply or loss of usable water. The cost of such plugging shall be paid by the commission from the conservation fee fund. For the purposes of this section, a person who is legally responsible for the proper care and control of an abandoned well may include, but is not limited to, the following: Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water; the current or last operator of the lease upon which such well is located,

55-179. Investigation of complaint by the commission; findings; responsibility for remedial action; costs; hearings; orders. (a) Upon receipt of any complaint filed pursuant to K.S.A. 1987 Supp. 55-178 and amendments thereto, the commission shall make an investigation for the purpose of determining whether such abandoned well is polluting or is likely to pollute any usable water strata or supply or causing the loss of usable water, or the commission may initiate such investigation on its own motion. If the commission determines;

(1) That such abandoned well is causing or likely to cause such pollution or loss; and

(2) (A) that no person is legally responsible for the proper care and control of such well; or (B) that such person so legally responsible for the care and control of such well is dead or no longer in existence or insolvent or cannot be found, then, within 60 days after completing its investigation, the commission shall plug, replug or repair such well, or cause it to be plugged, replugged or repaired, in such a manner as to prevent any further pollution or danger of pollution of any usable water strata or supply or loss of usable water. The costs of such plugging shall be paid by the commission from the conservation fee fund.

(b) For the purposes of this section, a person who is legally responsible for the proper care and control of an abandoned well shall include, but is not limited to, the following: Any operator of a waterflood or other pressure maintenance program deemed to be causing pollution or loss of usable water; the current or last operator of the lease upon which such well is located,