

COMMENTS SUBMITTED TO THE HOUSE ENERGY AND UTILITIES COMMITTEE

IN SUPPORT OF HOUSE BILL 2526

BY THE KANSAS PETROLEUM COUNCIL

FEBRUARY 1, 2012

Mr. Chairman and members of the Committee, I appreciate the opportunity to submit comments in support of House Bill 2526, as introduced.

House Bill 2526 allows the Kansas Corporation Commission to develop rules and regulations “for the supervision and disclosure of any well on which a hydraulic fracturing treatment is performed.”

The proven technology of hydraulic fracturing has been used since the 1940s. The Kansas Corporation Commission estimates that hydraulic fracturing has been deployed in more than 57,000 wells in our state. The process is gaining renewed significance in Kansas with unconventional resource development in the Mississippi Limestone of south central Kansas. The Mississippi Limestone will require extraction by fracturing.

Hydraulic fracturing is critical to our nation’s energy and economic future. The oil and natural gas industry is leading the way in safely developing these resources that is creating jobs, providing greatly needed government revenues and increasing our energy security.

The Council joins the Kansas Independent Oil and Gas Association in support of FracFocus, the state-led voluntary disclosure registry for hydraulic fracturing data. Developed by the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission, FracFocus allows operators to post data prescribing the chemical composition of hydraulic fracturing fluids on one website, using a simple, informative and consistent format. The website provides information on a well-specific basis and is available for public viewing.

In conclusion, the Groundwater Protection Council in 2009 issued a report saying that oil and gas field activities are best accomplished at the state level where regional and local conditions are understood and where state regulators, such as the Kansas Corporation Commission, are on site to conduct inspections and oversee operations. House Bill 2526 carries out that finding by allowing development of regulations appropriate for Kansas.

Thank you for your time and courtesy.

- Ken Peterson, executive director, Kansas Petroleum Council

