

Representative Stan Frownfelter

TESTIMONY BEFORE THE HOUSE COMMITTEE ON ENERGY AND UTILITIES
REGARDING HOUSE BILL 2642 RELATING TO OIL AND GAS DRILLING APPLICATIONS

February 10, 2012

Chairman Holmes and members of the committee:

Thank you for the opportunity to appear before you today in support of HB 2642.

HB 2642 seeks to encourage operators of wells using hydraulic fracturing to utilize Kansas workers and products where possible.

The bill amends state law stipulating that in the process of applying with the Kansas Corporation Commission for a drilling permit, operators of wells using hydraulic fracturing shall certify to the commission the operator's intent where commercially and economically viable to do the following:

- 1) Use Kansas chemical manufacturers or suppliers;
- 2) Use Kansas piping and concrete manufacturers or suppliers;
- 3) Hire Kansas workers, and;
- 4) Use sand manufactured in Kansas.

I would emphasize that this is not a government mandate, however the proposal would encourage operators to give consideration to Kansas workers and supplies. To assist operators toward this goal, the Corporation Commission would be required to maintain a list of Kansas manufacturers and suppliers as a reference for well operators.

The oil and gas industry is an important segment of the Kansas economy and further development of oil and gas production offers a tremendous growth opportunity for our state economy. To fully realize this economic potential, it is important that we encourage operators to hire Kansas workers and buy Kansas supplies where doing so is feasible. HB 2642 provides an important step toward that goal.

I would encourage your support of HB 2642 and will now stand for any questions you may have.