Session of 2015

HOUSE BILL No. 2132

By Committee on Energy and Environment

1-27

AN ACT concerning oil and gas; relating to natural gas injection wells,
 ownership, rule of capture; amending K.S.A. 55-1210 and repealing the
 existing section.

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5 Be it enacted by the Legislature of the State of Kansas:

6 Section 1. K.S.A. 55-1210 is hereby amended to read as follows: 55-7 1210. (a) The rule of capture is abolished with respect to all natural gas 8 which has previously been reduced to possession by an injector that is 9 licensed or certificated to store natural gas by the federal energy regulatory commission or the state corporation commission while 10 operating under the terms of such license or certificate, and which is 11 12 subsequently injected into underground *natural gas* storage fields, sands, 13 reservoirs and or facilities, whether such storage rights were acquired by 14 regardless of whether the injector's rights in such storage fields, sands, 15 reservoirs or facilities are established by certificate, agreement, lease, eminent domain or otherwise;. All such injected natural gas shall at all 16 17 times be the property of the injector, such injector's heirs, successors or 18 assigns, whether owned by the injector or stored under contract, regardless 19 of where such natural gas may be found.

20 (b) In no event shall-such injected natural gas, as described in 21 subsection (a), be subject to the right of the owner of the surface of such 22 lands or of any mineral interest therein, under which such gas storage 23 fields, sands, reservoirs and facilities lie, or of any person, wherever such 24 person may be located, other than the injector, such injector's heirs, 25 successors and assigns, to produce, take, reduce to possession, either by 26 means of the law of capture or otherwise, waste, or otherwise interfere 27 with or exercise any control over such gas, regardless of where such 28 natural gas may be found. Nothing in this subsection shall be deemed to 29 affect the right of the owner of the surface-of such lands or of any mineral 30 interest therein to drill or bore through the underground natural gas 31 storage fields, sands, reservoirs-and or facilities in such a manner as will 32 protect such fields, sand, reservoirs and facilities against pollution and the 33 escape of the natural gas being stored.

(c) With regard to *injected* natural gas that has migrated to adjoining
 property or to a stratum, or portion thereof, which has not been condemned
 as allowed by law or otherwise purchased may be found outside of the

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vertical or horizontal boundaries of underground natural gas storage
 fields, sands, reservoirs or facilities:

(1) The injector, such injector's heirs, successors and assigns shall not
lose title to or possession of such gas if such injector, such injector's heirs,
successors or assigns can prove by a preponderance of the evidence that
such gas was originally-injected into the located within such injector's,
such injector's heirs', successors' or assigns' underground natural gas
storage field, sands, reservoir or facility.

9 (2) The injector, such injector's heirs, successors and assigns, shall, 10 *upon reasonable notice*, have the right to conduct such tests on any 11 existing wells<u>on</u> adjoining property, at such injector's sole risk and 12 expense including, but not limited to, the value of any lost production of 13 other than the injector's gas, as may be reasonable to determine ownership 14 of such gas.

15 (3) The owner of the stratum and the owner of the surface shall be 16 entitled to such compensation, including compensation for use of or 17 damage to the surface or substratum, as is provided by law, and shall be 18 entitled to recovery of all costs and expenses, including reasonable 19 attorney fees, if litigation is necessary to enforce any rights under this 20 subsection (c) and the injector does not prevail.

(d) The injector, such injector's heirs, successors and assigns *and any other affected party* shall have the right to compel compliance with this
 section by injunction or other appropriate relief by application to a court of
 competent jurisdiction.

Sec. 2. K.S.A. 55-1210 is hereby repealed.

26 Sec. 3. This act shall take effect and be in force from and after its 27 publication in the statute book.