901 S. Kansas Avenue Topeka, KS 66612



Phone: (785)-296-3185 Fax: (785)-296-0878

www.kwo.org

Tracy Streeter, Director

Sam Brownback, Governor

Before the **Senate Committee on Assessment and Taxation**

Kansas Water Office Testimony for SB 212

Earl Lewis, Assistant Director, Kansas Water Office March 12, 2013

Chairman Donovan and members of the Committee, I am Earl Lewis, Assistant Director of the Kansas Water Office. Thank you for the opportunity to provide testimony on SB 212.

Water and energy are interdependent. Water is an essential component of oil and gas development. It is used for drilling, where a mixture of clay and water is used to carry cuttings to the surface, as well as to cool and lubricate the drill bit. Water is also used in hydraulic fracturing where a mixture of water and sand is injected into the oil and gas bearing formation at high pressure to create small cracks in the rock that allow natural gas and oil to freely flow to the surface.

How much water is used in the hydraulic fracturing process is dependent on a number of factors including the well depth, formation and pressure needed in the process. However, drilling and fracturing wells in Kansas formations typically requires less water than in many other areas of the United States.

The recent drought has highlighted the need to look at every option available to reduce our consumption of water and bring new sources of water into use. The Kansas Water Plan identifies both water conservation and water reuse as priority issues for Kansas, and specifically south central Kansas, to meet our growing demand. We appreciate the industry's interest in helping to meet these goals and provide opportunities to decrease usage of our fresh water.

While the Kansas Water Office holds no position on the tax credit outlined in SB 212, we do support policy that encourages the wise and careful use of our state's water resources. Recycling or reuse of produced water in the oil and gas industry reduces the impact on our local water supplies, results in less wastewater to be disposed, and decreases truck traffic on public roads where fresh water is not nearby and requires hauling.

Thank you again for the opportunity to provide testimony regarding SB 212. I will be happy to stand for questions at the appropriate time.