#### SESSION OF 2010

## SUPPLEMENTAL NOTE ON SENATE BILL NO. 298

# As Amended by House Committee on Energy and Utilities

## **Brief\***

SB 298 would require any person who operates or is responsible for certain types of wells to place a well identification sign on or near each well. The requirement would apply to the following types of wells: oil, gas, injection, disposal, cathodic protection, natural gas storage injection or withdrawal, and  $CO_2$  injection or withdrawal.

The Kansas Corporation Commission (KCC) would be required to adopt rules and regulations within 12 months of the effective date of the act specifying the information to be contained on each well identification sign, as well as the size and location of such signs.

The bill would become effective upon publication in the Kansas Register.

# **Background**

In Senate hearings, the Director of the KCC Conservation Division and a representative of the Kansas Independent Oil and Gas Association testified in support of the bill. Signage would assist the Conservation Division to develop an accurate well inventory for tracking responsible parties, and would assist contractors working on wells. There was no testimony in opposition to the bill.

The Senate Committee on Utilities amended the bill to require the rules and regulations called for in the bill to be adopted within 12 months of the effective date of the act.

The House Energy and Utilities Committee received testimony similar to the testimony presented in the Senate.

The House Energy and Utilities Committee amended the bill to make it effective upon publication in the *Kansas Register*.

The fiscal note prepared by the Division of the Budget indicates the fiscal effect of the original bill would be negligible and would be borne by the oil and gas storage industry.

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org