

EDMISTON OIL COMPANY, INC.
OIL OPERATORS SINCE 1945

E. K. EDMISTON (1906-1995)

JON M. CALLEN, *President*

**Testimony before the House Committee on Utilities
House Bill 2673
Arising out of HR 6024 on H.B. 2146 introduced in 2005.
February 13, 2006**

Testimony presented by: Jon M Callen
Edmiston Oil Company, Inc.
125 N. Market Suite 1130
Wichita, KS 67202
316-265-5241
316-265-7301 Fax

Chairman Emler and Members of the Committee:

I am Jon Callen, President of Edmiston Oil Company, Inc. in Wichita, Kansas, and the current president of the Kansas Independent Oil and Gas Association (KIOGA). H.B. 2146 was introduced in 2005 to enact certain requirements for oil and gas producers and operators to provide specific information on royalty check stubs. Last year, I testified in opposition to H.B. 2146 as being too onerous for independent operators to comply.

Testimony received last year made it clear that there were no simple solutions to the issues presented by both sides. A Task Force committee was appointed to continue a dialog to see if the parties could reach an agreement on statutory requirements for revenue reporting information. I participated in the Task Force, representing the Kansas Independent Oil and Gas Association. Several meetings were held from August to December. The meetings were helpful and informative for the parties involved in educating the other on their respective problems. From those meetings, a consensus was reached by both sides to compromise and caused a new bill to be drafted which was introduced in the House Committee on Utilities in 2006.

The culmination of our efforts have been drafted in the form of H.B. 2673 which is before you today. Task Force members, including myself, agree it is in keeping with the positions reached by the parties involved. Therefore, I wish to state that on behalf of the Kansas Independent Oil and Gas Association, I stand before you today in support of passage of H.B. 2673.

EDMISTON OIL COMPANY, INC.
OIL OPERATORS SINCE 1945

E. K. EDMISTON (1906-1995)

JON M. CALLEN, *President*

125 N MARKET SUITE 1130, WICHITA, KS 67202-1774
316.265.5241 fax 316.265.7301
jmcallen@edmistonoil.com