



March 2013

## **Moving Forward with KOGA's Mission**

It's been a busy couple of months at KOGA since our last newsletter. It's amazing what you can accomplish when you travel a few hundred miles and spend some late nights with the Kentucky General Assembly. It's been incredibly rewarding to carry KOGA's message and promote our mission as the voice of Kentucky's independent oil and gas industry.

On March 4<sup>th</sup> and 5<sup>th</sup>, I attended the IPAA Congressional Call-Up with Gigi Lazenby, President of Bretagne LLC and Chairman of IPAA's Board of Directors. I attended ten meetings with Congressional members, including Kentucky's senior Senator Mitch McConnell and Congressman Brett Guthrie of Bowling Green. Our message focused on the importance of Intangible Drilling Costs (IDCs) and the percentage depletion deductions to Kentucky's independent oil and gas industry. Independents develop nearly 95 percent of the nation's oil and gas wells and are responsible for the production of 54 percent of the nation's oil and 85 percent of the nation's natural gas. The IDC and percentage depletion incentives are essential to the ongoing investment by Kentucky's independent producers. That message came through loud and clear in our meetings.

KOGA partnered with Kentucky's coal industry for a "Kentucky Energy Legislative Reception" on February 11<sup>th</sup>. Eighty KOGA members attended. The reception provided a great opportunity to discuss the items facing the oil and gas industry with Governor Beshear and key legislative leaders. In my estimation, we had a very successful legislative session in 2013 and I encourage you to take a look at Bill Barr's "Legislative Wrap Up" in this newsletter.

Astrud Masterson, our Associate Director, attended the West Virginia Independent Oil and Gas Association Winter Meeting on February 20-21. It was a great opportunity to exchange ideas about Association management, effective meeting planning and execution and general issues facing our industry. Astrud came back with some great ideas and, no doubt, shared plenty of good stuff with our counterparts at IOGAWV.

Our Program Committee has been hard at work getting everything in place for KOGA's eastern Kentucky meeting on April 24<sup>th</sup> and our annual meeting scheduled

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for June 19-20 in Covington KY. (Save the Date!) The eastern Kentucky meeting will be at Jenny Wiley State Park in Prestonsburg and will feature a special technical presentation about the Berea Sandstone OIL PLAY that is currently underway in eastern Kentucky. A team of presenters that includes David Harris of the Kentucky Geological Survey, Ellen Montgomery of ProDirectional, and Derek Hina of Universal Well Services will provide an overview of the current activity, as well as a description of the geology of the play and thoughts and recommendations on drilling and completion practices. Brent McDaniel of Blackridge Resources will moderate the program. This oil play is developing rapidly and is being aided by enhanced understanding of the geology of the Berea and technical advances in drilling and completion methods. The program should be valuable to operators who own held-by-production acreage in the play area, as well as those seeking to enter the play.

Speaker of the House Greg Stumbo will address the membership during the dinner portion of the eastern Kentucky meeting. Special thanks to KOGA's Board President Doug Hyden for getting Speaker Stumbo on our meeting agenda.

Finally, we continue to focus on implementing KOGA's new bylaws. At the beginning of March, the Nominating Committee sent out solicitations for Board nominations. This process will, for the first time, put the prospective Board members in front of the general membership for a vote. If you haven't already, I encourage you to go to KOGA's website ([www.kyoilgas.org](http://www.kyoilgas.org)) and review the new bylaws. The Strategic Planning Process is intended to encourage greater participation by our members. Get engaged! This is your association!

KOGA is continuing to move forward. We couldn't do it without your support. Thank you for everything you do. Please don't hesitate to contact us about things important to your businesses and our industry. We're here to serve.

Sincerely,



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