

additional six months in which to renew their operating privilege. I would urge the advancement of LB 467.

SENATOR LANDIS: Thank you, Senator Kristensen. There are no lights on. Would you like to close? With the waiver of the closer, it makes us then take up the advancement of 467. Those in favor vote aye. Those opposed vote no. As this vote is coming in, let us turn to the south balcony. Under the south balcony is Stan Haas from Scottsbluff. Stan is the guest of Senator Hillman, visiting the Legislature. Stan, would you...if you would stand, be recognized. And for those of you close to your desks, if you would return, cast your ballot, we would be able to dispose of this measure one way or the other. Mr. Clerk.

ASSISTANT CLERK: 25 ayes, 0 nays on the motion to advance the bill, Mr. President.

SENATOR LANDIS: The measure is advanced. We move to LB 407, introduced by Senator Matzke, Mr. Clerk.

ASSISTANT CLERK: Mr. President, LB 407 was introduced by Senators Matzke and Elmer. (Read title.) The bill was read for the first time on January 12th of this year, referred to the Natural Resources Committee. That committee advanced the bill directly to General File.

SENATOR LANDIS: There are no committee amendments, so, Senator Matzke, we go to you for the bill introduction of LB 407.

SENATOR MATZKE: Thank you very much, Mr. Speaker, and members of the Legislature. The Nebraska Oil and Gas Conservation Commission has its office in Sidney, Nebraska. The commission regulates, inspects and monitors oil and gas well drilling and production in Nebraska. It's responsibility is to protect correlative rights of landowners. It inspects plugging of abandoned wells and protects against underground water pollution and it maintain very complex records, oil and gas well logs, field inspection records and production records. It does all of this with a staff of seven employees. It is one of the few self-supporting commissions. The entire cost of this is paid by filing fees and by a conservation tax which currently is 4 mills per dollar of oil and gas production. The problem is that the production of oil and gas in Nebraska is declining at an annual rate of about 13 percent. Five years ago Nebraska produced over