

## Thornburgh Resigns

Kansas Secretary of State Ron Thornburgh resigned his position effective February 15, 2010. Thornburgh has held the post the past 15 years. Thornburgh will become senior vice president of sales and marketing for NIC, an Olathe-based governmental informational systems company that specializes in government web sites.

Governor Mark Parkinson will select a successor to Thornburgh. The appointment as Secretary of State would be a major benefit for a Democrat seeking to claim the office at the August primary election, and if successful, at the general election. Democrats looking at the race for Secretary of State are State Senator Chris Steineger (D-Kansas City) and Kansas Securities Commissioner Chris Biggs.

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## Obama Stands Firm on Repealing O&G Tax Provisions

President Obama's recommendations to end the oil and gas industry's tax provisions are once again front and center. The President's FY 2011 budget request, released February 1<sup>st</sup>, once again calls for eliminating what they term "oil and gas company preferences", including percentage depletion allowance, expensing of intangible drilling and development costs, geological and geophysical amortization, along with five more oil and gas tax provisions. Obama's budget recommendation is the same as last year's budget request that was not acted upon by Congress.

The President's Budget document called for Congress to "Eliminate Funding for Inefficient Fossil Fuel Subsidies." Specifically, it stated as follows: "As we work to create a clean energy economy, it is counterproductive to spend taxpayer dollars on incentives that run counter to this national priority. To further this goal and reduce the deficit, the Budget eliminates tax preferences and funding for programs that provide inefficient fossil fuel subsidies that impede investment in clean energy sources and undermine efforts to deal with the threat of climate change." This, of course, is very questionable rhetoric coming out of the Administration. Eliminating these "preferences" would simply make our nation more dependent on imported oil and would have little effect on the government's investment in clean, renewable energy sources.

The President's latest budget proposal is a request. KIOGA worked with Democrats and Republicans in Congress to address this issue last year. Our position is stronger this year because of the work we did last year building allies in Congress. KIOGA will continue to take our industry's case directly to those in Congress in 2010.

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### **Upcoming Events**

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**NAPE Expo**  
February 10-12, 2010  
Houston, Texas

**2010 AAPG Annual Convention**  
April 11-14, 2010  
New Orleans, Louisiana

**KIOGA Midyear Meeting**  
April 22-23, 2010  
Great Bend, Kansas