

STATE OF MONTANA
Exhibit No. 1
Date 2-3-05
Bill No. SB 258

My name is Arnold Hokanson. I am from Big Sandy, Montana. I am one of the original founders of the Montana Land and Mineral Owners Association. An organization established during the early nineteen seventies, in northern Montana.

One of the first activities of the MLMOA was to establish a series of policies concerning the exploration and production of natural gas. At that time the majority of the operators in the area were smaller or in-state based companies. By and large, most operators at that time accepted and attempted to comply with our policies, creating a better landowner operator relationship.

Through the years, however, larger companies have come into the state. Companies that are more concerned with greater profits, than in forging good landowner relationships.

I feel that Senate Bill 258 could have gone much further in its attempt to level the playing field, somewhat, between landowners and the industry. But SB. 258 does contain many provisions similiar to the policies established by the MLMOA. That is why I support SB. 258.

I believe passing SB.258 into law will result in helping to create a better relationship between landowners and the petroleum industry on a statewide basis.