

authorization pursuant to Section 7 of the Natural Gas Act.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98-13490 Filed 5-20-98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98-526-000]

Panhandle Eastern Pipe Line Company; Notice of Application

May 15, 1998.

Take notice that on May 6, 1998, Panhandle Eastern Pipe Line Company (Panhandle), P.O. Box 1642, Houston, Texas 77251-1642, filed an application in Docket No. CP98-526-000 pursuant to section 7(b) of the Natural Gas Act, as amended, and Part 157 of the Commission's Regulations for permission and approval to abandon by removal, the Bison Compressor Station, including the two compressor units, and appurtenant facilities located in Kingfisher County, Oklahoma, all as more fully set forth in the application on file with the Commission and open to public inspection.

The Bison Compressor Station is equipped with two 1,674 compressor units (U-340 and U-341), with compression horsepower totaling 3,348 (hp). Panhandle states that this compression is no longer required to meet its customers' delivery requirements. Panhandle also requests authorization to abandon in place the fencing, engine room and warehouse buildings, overhead crane, yard lights, other minor items, and all below-grade piping. Panhandle will transfer title of these items to the landowners upon abandonment authorization. The landowners have agreed to accept the facilities Panhandle proposes to abandon in place, by Letter of Agreement between Panhandle and Woods Acres, Inc. on February 27, 1998. All piping, other than road crossings, to be retired and abandoned in place will be cut 30 inches below grade, filled with water and capped. Road crossings will be filled with concrete slurry instead of water.

Any person desiring to be heard or to make any protest with reference to said application should on or before June 5, 1998, file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and

Procedure (18 CFR 385.214) and 385.211 and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion of leave to intervene is timely filed or if the Commission on its motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Panhandle to appear or be represented at the hearing.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98-13494 Filed 5-20-98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98-193-001]

Shell Gas Pipeline Company; Notice of Proposed Changes in FERC Gas Tariff

May 14, 1998.

Take notice that on May 8, 1998, Shell Gas Pipeline Company (SGPC) tendered for filing an amendment to its filing in Docket No. RP98-193-000, as part of its FERC Gas Tariff, Original Volume No. 1, a revised title sheet proposed to become effective May 24, 1998.

SGPC states that the purpose of this filing is to reflect an address and telephone change for the corporate office of SGPC.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, in accordance with Section

385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98-13481 Filed 5-20-98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98-522-000]

Texas Gas Transmission Corporation Columbia Gulf Transmission Company; Notice of Application

May 15, 1998.

Take notice that on May 5, 1998, Texas Gas Transmission Corporation (Texas Gas) P.O. Box 20008, Owensboro, Kentucky 42304, and Columbia Gulf Transmission Company (Columbia Gulf) P.O. Box 683, Houston, Texas 77001-0683, filed a joint application for Texas Gas to abandon by transfer, to Columbia Gulf, Texas Gas' interest in certain jointly-owned supply lateral facilities, and appurtenances, in the Eugene Island and Vermilion Areas, Offshore Louisiana, and for Columbia Gulf to acquire and own Texas Gas' interest in such facilities, all as more fully set forth in the application on file with the Commission and open to public inspection.

Texas Gas states that the facilities were originally constructed and operated jointly with Columbia Gulf to support its merchant function; however, due to the termination of the related third-party transportation agreements, Texas Gas no longer has a firm transportation commitment involving the facilities. As such, Texas Gas wishes to abandon these facilities to streamline its transmission operations. Columbia Gulf states that any shippers desiring access to the supplies attached to these laterals will be able to obtain transportation service from Columbia Gulf, thus none of the interruptible shippers currently utilizing the Texas Gas' capacity in the subject facilities will be subject to a diminution or termination of service.

Any person desiring to be heard or to make any protest with reference to said

application should on or before June 5, 1998, file with the Federal Energy Regulatory Commission, Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Texas Gas and Columbia Gulf to appear or be represented at the hearing.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 98-13493 Filed 5-20-98; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. SA98-83-000]

The Trees Oil Company; Notice of Petition for Adjustment

May 15, 1998.

Take notice that on May 7, 1998, The Trees Oil Company (Trees) filed a petition, pursuant to section 502(c) of the Natural Gas Policy Act of 1978, for relief from making Kansas ad valorem tax refunds to Northern Natural Gas Company (Northern). The refunds are required by the Commission's

September 10, 1997 order, in Docket No. RP97-369-000 *et al.*,¹ on remand from the D.C. Circuit Court of Appeals,² that directed First Sellers to make Kansas ad valorem tax refunds, with interest, for the period from 1983 to 1988.

Alternatively, if it is not relieved from making the subject refunds, Trees requests that the Commission permit Trees to amortize its refund obligation over a 5-year period. Trees petition is on file with the Commission and open to public inspection.

Trees states that Northern sent Trees a Statement of Refunds Due for \$192,815.47 in principal and \$301,471.37 in interest, computed through December 31, 1997, for a total of refund liability of \$494,286.84. Trees states that the Northern Statement covers seven wells, from which Trees made sales to Northern from 1983 to July 1, 1987. Trees asserts that the Statement includes an amount that Trees previously refunded to Northern³ and Kansas ad valorem tax reimbursements on one well (the Warner well) that did not result in a price in excess of the applicable maximum lawful price (MLP).

Trees also states that during the applicable 1983-1987 period, 37.5 percent of the working interest in these wells was owned by a Pennsylvania Trust which was subsequently terminated, liquidated, and closed in 1991. Trees asserts that the Kansas ad valorem tax reimbursements distributed to this trust are unrecoverable, and that, once the necessary revisions are made to remove (a) the previously refunded principal and interest, (b) the Kansas ad valorem taxes that did not exceed the applicable MLP, and (c) the unrecoverable Pennsylvania Trust reimbursements, Trees refund liability consists of \$99,611.52 in principal and \$162,013.50 in interest, computed through December 31, 1997.

Trees also suggests that this \$99,611.52 amount should be further reduced because it: 1) includes the principal and interest on pre-October 1983 production, the liability for which has been disputed before the U.S. Court of Appeals for the Fifth Circuit in *Anadarko Petroleum Corporation v. FERC* and *Union Pacific Resources*

¹ See 80 FERC ¶ 61,264 (1997); Order Denying Rehearing issued January 28, 1998, 82 FERC ¶ 61,058 (1998).

² *Public Service Company of Colorado v. FERC*, 91 F.3d 1478 (D.C. 1996), cert. denied, Nos. 96-954 and 96-1230 (65 U.S.L.W. 3751 and 3754, May 12, 1997).

³ Trees explains that Northern's Statement includes a payment of \$26,083.44 that Northern made to Trees on April 7, 1989, for 1988 taxes, an amount that Trees subsequently refunded, with interest, on July 1, 1994.

Company v. FERC, Case No. 98-60043; and (2) includes unrecoverable royalty amounts. Trees asserts that when the reimbursements attributable to pre-October 1983 production are excluded, along with the royalties attributable to the Pennsylvania Trust's working interest, the principal amount of its refund obligation to Northern is \$80,538.82.

Trees also states that it is a small "mother and daughter operation" with no other administrative personnel. Trees explains that the subject wells were priced at the relatively low, NGPA section 104, flowing gas rate, which provided Trees with little, if any, income during the period from 1983-1987. Trees includes condensed December 31, 1983-1987 income statements to support its assertions, and states that the revenues shown on these statements include revenues from Trees' other oil and gas interests, and that the expenses include (a) its own share of the operating costs, (b) intangible drilling costs, (c) administrative costs, including salaries, rent, payroll taxes, and other office expenses, and (d) other expenses, including travel costs, seminars, licenses, and legal fees. Trees contends that, because these estimates show losses for four of the five years, despite small salaries and little, if any, drilling and exploration expense, they demonstrate how important the tax reimbursements were to Trees' economic viability and survivability during that period.

Trees also provides another condensed income statement for the year ending December 31, 1997, and notes that it plans to drill five wells in 1998 and convert a well to salt water disposal. Trees states that it is pursuing this drilling program in part out of consideration of the implied obligations of the leases for further development and to protect against drainage. Trees contends that this drilling program will tax its cash flow and financial resources, regardless of whether Trees is required to make Kansas ad valorem tax refunds. Trees adds that two of the committed wells have already been drilled, and that the total cost to drill and equip all five wells (if they are successful), and to convert the other, will be approximately \$1,900,000, of which Trees' share of the costs will be \$475,000. Trees contends that it has no monetary cushion to pay its drilling costs and also pay the Kansas ad valorem tax refunds.

Therefore, Trees contends that it should be relieved from having to refund any of these tax reimbursements. In the alternative, Trees requests permission to amortize its refund obligation over a 5-year period.