

owners and distributed such amounts to the working interest owners by crediting each owner's respective share against then existing expenses.

Riviera states that subsequent to the September 10 order, Northern contacted Riviera seeking refund of \$183,276.83, the entire amount of funds reimbursed to Riviera on behalf of the working interest and royalty interest owners. However, this amount was later adjusted to \$91,931.92 to reflect the Section 103 well determination.

Riviera asserts that while it may have received refund checks from Northern on behalf of the non-operators, these refunds were disbursed 100% to the working interest and royalty interest owners. Riviera maintains that no such refunds were retained by Riviera.

In view of the above, Riviera requests to be relieved of its obligation to make the Kansas ad valorem tax refunds to Northern because Riviera is not a first seller of natural gas and therefore not responsible for the refund obligation. In the alternative, if the Commission does not grant the relief requested, Riviera requests that it be authorized to present a full hardship argument, and as a second alternative, Riviera requests that it be authorized to present an installment period argument.

Any person desiring to be heard or to make any protest with reference to said petition should on or before 15 days after the date of publication in the Federal Register of this notice, 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, 385.211, 385.1105, and 385.1106). 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.

**David P. Boergers,**  
*Acting Secretary.*

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. SA98-19-000]

#### Dale Schwarzhoff; Notice of Petition for Adjustment

March 18, 1998.

Take notice that on March 9, 1998, Dale Schwarzhoff (Schwarzhoff) filed a petition for adjustment under section 502(c) of the Natural Gas Policy Act of 1978 (NGPA),<sup>1</sup> requesting a 90-day extension to allow Schwarzhoff and Williams Natural Gas Company (WNG) to resolve any dispute as to the proper amount of the refund liability of Schwarzhoff for the Kansas ad valorem tax refunds, as required by the Commission's September 10, 1997, order in Docket Nos. GP97-3-000, GP97-4-000, GP97-5-000 and RP97-369-000,<sup>2</sup> and set forth in the Statement of Refunds Due (SRD) addressed to Benson Mineral Group, Inc. (BMG), the operator, or to submit such dispute to FERC for resolution if the parties cannot resolve it within such time, and (2) in order to stop the accrual of interest pending resolution of disputes and legal issues, grant an adjustment to its procedures to allow Schwarzhoff to place into an escrow account not only any disputed amount of the refund amount, but also principal and interest on amounts attributable to production prior to October 4, 1983, and interest on all other amounts claimed to be due under the SRD. Schwarzhoff's petition is on file with the Commission and open to public inspection.

The Commission's September 10 order on remand from the D.C. Circuit Court of Appeals<sup>3</sup> directed first sellers under the NGPA to make Kansas ad valorem tax refunds, with interest, for the period from 1983 to 1988. The Commission's September 10 order also provided that first sellers could, with the Commission's prior approval, amortize their Kansas ad valorem tax refunds over a 5-year period, although interest would continue to accrue on any outstanding balance.

It is stated that the SRD submitted to BMG includes tax reimbursements in the amount of \$49,243.49, for the Barngrover #1-#3 well. Schwarzhoff states that this well is classified as a

Section 102 well under the NGPA, which was deregulated as of January 1, 1985. Schwarzhoff further states that it disputes the obligation to refund the tax reimbursements paid by WNG and received by BMG in 1985 and 1986 attributable to the Barngrover #1-#3 well that had been deregulated by that time and for which there was no maximum lawful price. In order to stop the continued accrual of interest; however, pending resolution of disputes and legal issues, Schwarzhoff states that it will place in escrow the amount of \$503.65, representing what Schwarzhoff believes in good faith, after an exhaustive review of the prices received, to be the greatest potential liability attributable to the working interest of Schwarzhoff claimed under the SRD. Alternatively, if retaining these funds in escrow is not permitted, Schwarzhoff requests that WNG be required to repay to Schwarzhoff, with interest, any of the amounts paid to WNG from escrow which subsequently are determined not to have been a part of Schwarzhoff's refund obligation.

Any person desiring to be heard or to make any protest with reference to said petition should on or before 15 days after the date of publication in the Federal Register of this notice, 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, 385.211, 385.1105, and 385.1106). 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.

**David P. Boergers,**  
*Acting Secretary.*

[FR Doc. 98-7538 Filed 3-23-98; 8:45 am]

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. PR98-9-000]

#### Texas Pipeline, L.L.C.; Notice of Petition for Rate Approval

March 18, 1998.

Take notice that on March 4, 1998, Texas Pipeline L.L.C. (Texas) filed a

<sup>1</sup> 15 U.S.C. 3142(c) (1982).

<sup>2</sup> See 80 FERC ¶ 61,264 (1997); order denying reh'g issued January 28, 1998, 82 FERC ¶ 61,058 (1998).

<sup>3</sup> *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) (Public Service).

petition for rate approval pursuant to Section 284.123(b)(2) of the Commission's regulations, and pursuant to the Commission's order issued March 4, 1996 in Docket No. PR95-7-000. In its petition, Tekas requests the Commission to approve a system-wide maximum rate of \$0.1465 per Mcf (plus a pro rata share of fuel and lost and unaccounted for gas). Tekas states that the rate will be applicable to its transportation services provided under Section 311(a)(2) of the Natural Gas Policy Act of 1978 (NGPA), effective August 1, 1998.

Pursuant to section 284.123(b)(2)(ii), if the Commission does not act within 150 days of the filing date, the rate will be deemed to be fair and equitable and not in excess of an amount which interstate pipelines would be permitted to charge for similar transportation service. The Commission may, prior to the expiration of the 150-day period, extend the time for action or institute a proceeding to afford parties an opportunity for written comments and for the oral presentation of views, data, and arguments.

Any person desiring to participate in this rate proceeding must file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with sections 385.211 and 385.214 of the Commission's Rules of Practice and Procedures. All motions or protests must be filed with the Secretary of the Commission on or before April 2, 1998. 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 the petition are on file with the Commission and are available for public inspection.

**David P. Boergers,**

*Acting Secretary.*

[FR Doc. 98-7531 Filed 3-23-98; 8:45 am]

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## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

[Docket No. SA98-14-000]

#### Albert A. Thornbrough; Notice of Petition for Adjustment

March 18, 1998.

Take notice that on March 6, 1998, Albert A. Thornbrough (Thornbrough) filed a petition for adjustment under section 502(c) of the Natural Gas Policy Act of 1978 (NGPA),<sup>1</sup> seeking Commission intervention to resolve a dispute between himself and Colorado Interstate Gas Company (CIG) concerning ad valorem taxes for years 1982 through 1986. Thornbrough requests that he be relieved of his obligation to pay Kansas ad valorem tax refunds, as required by the Commission's September 10, 1997 order, in Docket Nos. GP97-3-000, GP97-4-000, GP97-5-000, and RP97-369-000.<sup>2</sup> Thornbrough's petition is on file with the Commission and open to public inspection.

The Commission's September 10 order on remand from the D.C. Circuit Court of Appeals<sup>3</sup> directed first sellers under the NGPA to make Kansas ad

valorem tax refunds, with interest, for the period from 1983 to 1988. The Commission's September 10 order also provided that first sellers could, with the Commission's prior approval, amortize their Kansas ad valorem tax refunds over a 5-year period, although interest would continue to accrue on any outstanding balance.

As of March 9, 1998, CIG claims that Thornbrough owes CIG \$108,883.73 in principal and \$156,621.88 in interest. Thornbrough disputes CIG's claim entirely. If the Commission determines that Thornbrough is required to pay some or all of the disputed amount to CIG, Thornbrough seeks a staff adjustment pursuant to Section 502(c) of the NGPA, abating all of the disputed amount. If the Commission subsequently determines that Thornbrough is required to pay some or all of the disputed amount to CIG, Thornbrough seeks permission to amortize the required sum over a five-year period commencing on March 9, 1999 such that the first installment would be equal to one-fifth of the total principal and interest owing as of that date; the second installment equal to 1/4 of the remaining total; the third installment equal to 1/3 of the remaining balance; the fourth installment equal to 1/2 of the remaining amount; and the fifth installment would be equal to the balance of all principal and interest owing as of March 9, 2003.

Thornbrough, as operator, claims that the production and his working and revenue interests therein, as well as the royalty interest owners, of the following wells are the subject of this dispute:

Well name	Location	Gross work interest (percent)	Net revenue interest (percent)
Lindsay #1 .....	Section 25 .....	100	76.56
McDonald #1 .....	Section 13 .....	50	43.75
McDonald #2 .....	Section 13 .....	31.25	27.31
Thornbrough #1 .....	Section 24 .....	100	82.31
Thornbrough #2 .....	Section 24 .....	62.5	51.26

All of these wells are located at T25S-R39W in Hamilton County, Kansas. Thornbrough also claims that its request for relief from its Kansas ad valorem taxes for the years 1982-1986 is based on a May 1, 1989 Settlement Agreement with CIG where the only mention of these types of taxes, to which

Thornbrough may be liable for making a refund, is for the years 1987 and 1988.

Any person desiring to be heard or to make any protest with reference to said petition should on or before 15 days after the date of publication in the **Federal Register** of this notice, 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, 385.211, 385.1105, and 385.1106). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will

<sup>1</sup> 15 U.S.C. 3142(c) (1982).

<sup>2</sup> See 80 FERC ¶ 61,264 (1997); order denying reh'g issued January 28, 1998, 82 FERC ¶ 61,058 (1998).

<sup>3</sup> *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) (Public Service).