

CLASS OF SERVICE

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WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL=Day Letter

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OIL CONSERVATION COMMISSION CAPITOL BLDG

SANTA FE NMEX=

BIGCHIEF ENTERS ITS APPEARANCE IN CASE NUMBER 2047 AND
CONSENTS TO THE APPLICATION OF TENNESSEE GAS TRANSMISSION
CO FOR FORCED POOLING=

BIGCHIEF DRILLING CO=

MAIN OFFICE OCC

=2047•

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

ALEX CLARKE, JR.
DIVISION ENGINEER

FORT WORTH, TEXAS

August 4, 1960

File: GWK-392-986.510.1

Subject: Case No. 2047
Application of Tennessee
Gas Transmission Company
For An Order Force-Pooling
All Mineral Interests in a
320-Acre Gas Unit In The
West Kutz-Dakota Pool

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

In the above referenced case, to be held before an Examiner on August 10, 1960, Tennessee Gas Transmission Company is requesting an order force-pooling certain mineral interests in the W/2 of Section 27, T-29-N, R-13-W, in the West Kutz-Dakota Pool, San Juan County, New Mexico. Pan American Petroleum Corporation owns the working interest in the NE/4 NW/4 of Section 27.

Pan American Petroleum Corporation has no objection to the pooling of its interest into Tennessee's proposed Dakota Gas Unit. Pan American and Tennessee have been negotiating over a protracted period of time in an effort to reach a mutually satisfactory operating contract for including Pan American's interest in such unit. The unresolved difference between the companies is that Pan American, should production be encountered, at this time does not desire to commit its Dakota gas to disposition by Tennessee, which no doubt would result in dedication of its proportionate share of the gas to a market not of our selection, probably interstate in nature.

In the event the Commission approves Tennessee's request for force-pooling, Pan American, as a working interest owner, will pay the proportionate share of the reasonable actual direct development and operational costs in cash rather than from any proportionate share of Dakota gas production from the unit well.

We respectfully request that the above statement be read into the record of Case 2047.

Very truly yours,

GWK:lj

File: GWK-392-986.510.1

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August 4, 1960

cc: Tennessee Gas Transmission Company
Box 2511
Houston, Texas
Attention: Mr. R. M. Stephens