

November 26, 1957

- (3) Permian Basin Pipe Line Company by contract arrangement with another gas purchaser together with the expansion of processing facilities and installation of compressing equipment is now capable of taking in excess of current allowables and will be able to make up the under-production in the near future.
- (4) Applicant is asking that the requested exceptions to the applicable rules referred to above apply to the following Schernerhorn Oil Corporation owned and operated gas wells:

Bumont Pool

Gulf-State #1, SE SE Section 31, Twp. 18S,
Rge. 37E.

- (5) Unless the Commission grants the applicants request, Schernerhorn Oil Corporation will be deprived of its proportionate share of the reserves underlying the Bumont Gas Pool.
- (6) The granting of the requested exceptions to the above reference rules will not result in waste but will protect correlative rights.

Respectfully submitted,

SCHERNERHORN OIL CORPORATION

By _____
J. H. Moore

cc:

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