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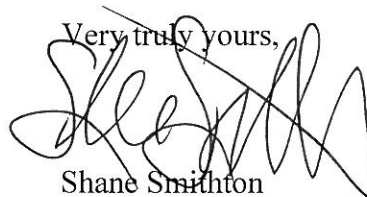
Mr. Brad Horrall
D F & D, LLC
P.O. Box 269
15705 State Road 23
Cimarron, Kansas 67835

Dear Mr. Horrall:

This letter is in response to your inquiry regarding the ability of landowners in Oklahoma to acquire natural gas taps to operate irrigation pumps for agricultural usage. Landowners in our state have a statutory right to use natural gas for such purposes. Those rights are codified at 52 O.S. §250, a copy of which is enclosed for your convenience. Even though this law has been on the books for some time, few people know about it. Oil and gas companies will deny that the right exists; however, I have never had an oil and gas company deny one of my clients the right once presented with a copy of the statute. I haven't had to take one of these matters to trial but have every confidence we would be successful.

Should you need any additional assistance with respect to this matter, please do not hesitate to contact me.

Very truly yours,



Shane Smithton

SS:klr

Enclosure

use of natural gas on the premises
ump to the surface water to be used
is a preferred use, prior in order to
ay be devoted.

Journal Commentaries

Oil and gas: "Preferred use" of natural
gas for agricultural purposes. 34 Okla.
L.Rev. 172 (1981).

References

Decisions

gas available for such purpose is tanta-
mount to an appropriation of private
property for public use without just com-
pensation. Phillips Petroleum Co. v. Cor-
poration Commission, Okla., 312 P.2d
916 (1956).

Sections 248 to 256 of this title, which
requires natural gas producer to make a
portion of its gas available for use in
pumping water for irrigation of agricul-
tural lands from which the gas was pro-
duced, even though producer had not
theretofore dedicated its property to such
use, and which authorizes the Corpora-
tion Commission to fix prices, terms and
conditions under which the gas shall be
made available, is not a valid regulation
under the police power but would, if en-
forced, constitute a taking of producer's
property without due process of law.
Phillips Petroleum Co. v. Corporation
Commission, Okla., 312 P.2d 916 (1956).

2. Construction and application

Basic objective of §§ 248 to 256 of this
title, governing use of natural gas for
operation of irrigation water wells lies
within pale of local police power authori-
ty. Phillips Petroleum Co. v. Jones,
D.C.Okla.1955, 147 F.Supp. 122.

"premises" means a tract or tracts of
s of a single lease or the document
exploration, development, operation
il and natural gas.

Library References

Mines and Minerals ⇨92.66.
WESTLAW Topic No. 260.

C.J.S. Mines and Minerals § 239.
Words and Phrases (Perm. Ed.)

§ 250. Natural Gas—Pumping of water for irrigation—Preferred use

From and after the effective date of this act, every person owning
or operating any well from which natural gas is produced, sold or
used off the premises on which such well is located shall make
available, from the production of such well, to the person or persons
engaged in agricultural activities upon such premises, if requested to
do so, sufficient gas for the operation of pumps necessary for the
pumping of such amount of water, produced from wells on such
premises, as may be necessary and proper for the irrigation of such
portion of said premises as may be devoted to the growth of agricul-
tural products or to pasture or orchard uses. Such gas shall be
made available for such use in preference to any other use. The
person at whose request the gas is furnished shall pay therefor a
reasonable price, not less than the price at which the gas is sold at
the wellhead, and the use shall be upon such reasonable terms and
conditions as will safeguard the owner or operator of the well in his
interests therein and in his off-premises market for the gas produced
therefrom.

Laws 1955, p. 284, § 3.

Law Review and Journal Commentaries

Drawbacks of federal natural gas regu-
lation. J. Evans Atwell, 13 Tulsa L.J. 751
(1978).

Oil and gas: "Preferred use" of natural
gas for agricultural purposes. 34 Okla.
L.Rev. 172 (1981).

Library References

Mines and Minerals ⇨92.66.
WESTLAW Topic No. 260.
C.J.S. Mines and Minerals § 239.

Notes of Decisions

Evidence 2
Validity 1

Validity

This section, providing that owners and
operators of any well from which natural
gas is produced shall make available to
persons engaged in agricultural activities
upon premises sufficient gas for opera-
tion of irrigation pumps, and that such
gas shall be made available for such use
in preference to any other use at reason-

able price, not less than price at which
gas is sold at wellhead, upon such reason-
able terms and conditions as will safe-
guard owner or operator of well in his
interest, was not unconstitutional on its
face, and if construed reasonably to pro-
tect well owners' interests would not be
unconstitutional. Phillips Petroleum Co.
v. Jones, D.C.Okla.1955, 147 F.Supp.
122.

Sections 248 to 256 of this title which
require natural gas producer to make a