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\*\*FORMERLY COMPRISING THE FIRM OF  
CULLEN, MORGAN, BRITAIN & WHITE, P.C.

August 4, 1995

VIA FACSIMILE TO: 927-8177

Michael E. Stogner  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Case No. 11358, the Application of Nearburg Exploration  
Company to Terminate Injection Operations, Eddy County, New  
Mexico

Dear Mr. Stogner:

Please let this letter serve as a supplement to Anadarko  
Petroleum Corporation's ("Anadarko") Motion for a Continuance.

First, as to the requested continuance, Anadarko, as stated  
in its Motion, needs additional time to prepare for the hearing.  
Also, on Friday, August 4, 1995 we received a Second Amended  
Application filed in this case by applicant. Because the  
application was amended, under Division rules the case must be  
continued for the next available Examiner Hearing, which is  
September 7, 1995.

Second, as to the request for an order staying injection  
operations, we believe this should be dismissed out-of-hand.  
Division Memorandum No. 3-85, cited by applicant, only applies to  
a stay pending a de novo hearing. That is not the present  
situation. Also, Nearburg has not submitted any proof that it is  
being harmed by injection; rather, it makes only unproven  
allegations. Furthermore, Yates has been injecting water into  
its well since 1988 or 1989, and Anadarko has been injecting  
water into its well since 1984. Since injection operations  
began, according to Nearburg's own application, approximately 8  
million barrels of water have been injected into the Cisco/Canyon  
formation through the two wells. Continuing injection operations  
during the four week continuance requested by Anadarko will cause  
the injection of only a fraction of 1% of the water already  
injected. Thus, there is no immediate harm to applicant

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Michael E. Stogner  
August 4, 1995  
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requiring a stay. Finally, upon information and belief, Nearburg drafted its application in November 1994, but did not file it until July 1995. If there was indeed immediate harm to applicant, it should have filed the application last fall rather than wait eight months to do so. Again, this shows the lack of immediate harm and a stay of injection is not necessary.

Please contact me if you have any questions.

Very truly yours,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY, P.L.L.C., Ltd., Co.

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorneys for Anadarko  
Petroleum Corporation

cc: J. Randy Turner VIA FACSIMILE TO: 1-(915) 687-1735  
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JB/sp

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