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February 23, 1998

HAND-DELIVERED

Lori Wrotenbery
Chairman of the Oil Conservation Commission
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

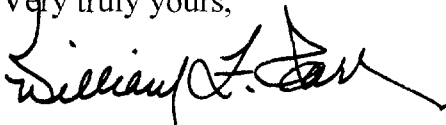
Re: *Oil Conservation Division Case No. 11838; Order No. R-10906:
Application of Premier Oil & Gas, Inc. to Have the Division Order Exxon
Company USA to Appear and Show Cause Why Premier's FV-1 Well Should
Not be Included in the Avalon Delaware Unit, Eddy County, New Mexico*

Dear Ms. Wrotenbery:

Enclosed for your consideration is Exxon and Yates Petroleum Corporation's Motion and Supporting Brief in Support of Their Motion to Dismiss the First Amended Application of Premier Oil & Gas, Inc. in the above-captioned case.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh
Enclosures

cc: Lyn Hebert, Esq.
W. Thomas Kellahin, Esq.
James Bruce, Esq.
Mr. David Boneau