

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION ON
ITS OWN MOTION TO PERMIT THE OPERATOR,
NERDLIHC COMPANY, INC., AND ALL OTHER
INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY FIVE CERTAIN WELLS
LOCATED IN MCKINLEY COUNTY, NEW MEXICO
SHOULD NOT BE PLUGGED AND ABANDONED
IN ACCORDANCE WITH A DIVISION APPROVED
PLUGGING BOND.

CASE NO. 11354
Order No. R-10473

MOTION TO WITHDRAW AS COUNSEL

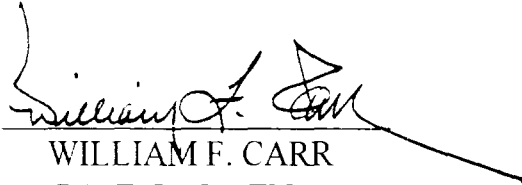
COMES NOW CAMPBELL, CARR & BERGE, P.A., and hereby requests
permission to withdraw as counsel in the above referenced case.

Counsel represented the Operator, Nerdlihc Company, Inc., in proceedings before the
Division which resulted in Order No. 10473. Counsel subsequently filed an Application for
Hearing **De Novo** before the full Commission in this case in order to preserve Nerdlihc
Company Inc.'s right to challenge the requirements imposed by Order No. R-10473.
However, since filing that Application, and in spite of numerous attempts, Counsel has been
unable to communicate with Nerdlihc Company, Inc. regarding that company's compliance
with the requirements of that Order or the necessity for further hearings in this matter.

WHEREFORE. Counsel respectfully requests that they be allowed to withdraw as counsel in the above-referenced case.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A..

By: 
WILLIAM F. CARR
PAUL R. OWEN
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR NERDLIHC
COMPANY, INC.

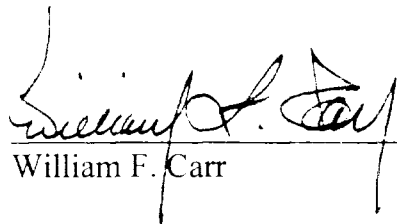
CERTIFICATE OF MAILING

I hereby certify that on this 28th day of November, 1995, I have caused to be hand-delivered a copy of our Motion to Withdraw as Counsel in the above-captioned case to:

Rand Carroll, Esq.
New Mexico Oil Conservation Division
State of New Mexico
Department of Energy, Minerals
& Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

I further certify that on this 28th day of November, 1995, I have caused to be delivered via certified mail, return receipt requested, a copy of our Motion to Withdraw as Counsel in the above-captioned case to:

Mr. Tom Knowlton
Nerdlihc Company, Inc.
337 E. San Antonio Drive, Suite 101
Long Beach, CA 90807



William F. Carr

DOCKET: COMMISSION HEARING - THURSDAY - DECEMBER 14, 1995**9:00 A.M. - 2040 SOUTH PACHECO - SANTA FE, NEW MEXICO****The Land Commissioner's designee for this hearing will be Jami Bailey****CASE 11354: (De Novo)**

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Nerdhlic Company, Inc., and all other interested parties to appear and show cause why the following five wells in McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug any or all of said wells, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the "blanket" cash plugging bond covering said wells and authorizing the Director of the Division to make demand upon United New Mexico Bank in Santa Fe, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging any or all of said wells:

- (1) **Inditos Well No. 1** (API No. 30-031-20774), located 2310' FNL & 330' FEL (Unit H) of Section 15, Township 16 North, Range 9 West;
- (2) **Bullseye Well No. 2** (API No. 30-031-20414), located 540' FSL & 1560' FWL (Unit N) of Section 18, Township 16 North, Range 9 West;
- (3) **Bullseye Well No. 9** (API No. 30-031-20576), located 330' FSL & 1650' FEL (Unit O) of Section 18, Township 16 North, Range 9 West;
- (4) **Bullseye Well No. 8** (API No. 30-031-20531), located 330' FNL & 990' FWL (Unit D) of Section 19, Township 16 North, Range 9 West; and,
- (5) **Bullseye "A" Well No. 2** (API No. 30-031-05091), located 990' FS & EL (Unit P) of Section 13, Township 16 North, Range 10 West.

Upon the application of Nerdhlic Company, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11297: (De Novo - Continued from November 9, 1995, Commission Hearing.)

Application of Exxon Corporation for a waterflood project, qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" for said project, and for 18 non-standard oil well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute a waterflood project in the designated and Undesignated Avalon-Delaware Pool within its proposed Avalon Delaware Unit Area (being the subject of Case No. 11298) located in portions of Townships 20 and 21 South, Ranges 27 and 28 East, by the injection of water through 18 new wells to be drilled as injection wells and one well to be converted from a producing oil well to an injection well. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Applicant further seeks approval to drill 18 new producing wells throughout the project area at locations considered to be unorthodox. The proposed unit area is centered approximately 8 miles north of Carlsbad, New Mexico. Upon the application of Premier Oil & Gas, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11298: (De Novo - Continued from November 9, 1995, Commission Hearing.)

Application of Exxon Corporation for statutory unitization, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a waterflood project, all mineral interests in the designated and Undesignated Avalon-Delaware Pool underlying its proposed Avalon Delaware Unit Area encompassing some 2,140.14 acres, more or less, of Federal, State, and Fee lands comprising portions of Sections 25 and 35, Township 20 South, Range 27 East, all or portions of Sections 29, 30, 31, and 32, Township 20 South, Range 28 East, and portions of Sections 4, 5, and 6, Township 21 South, Range 28 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 8 miles north of Carlsbad, New Mexico. Upon the application of Premier Oil & Gas, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

Awaiting Final Commission Action -- No Evidence or Testimony Will Be Taken.

CASE 11351: In the matter of the hearing called by the Oil Conservation Division to amend Rule 104 of its General Rules and Regulations pertaining to unorthodox well locations and non-standard units. The proposed amendments to Rule 104 would provide for administrative approval of applications for certain unorthodox well locations and non-standard units currently requiring notice and hearing. A copy of the proposed Rule 104 is attached to this docket.