

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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.

CASE NO. 11838
ORDER NO. R-10906

**MOTION OF EXXON CORPORATION
AND YATES PETROLEUM CORPORATION
TO DISMISS THE APPLICATION OF PREMIER OIL & GAS, INC.**

COME NOW EXXON CORPORATION ("Exxon"), by its attorney James Bruce and YATES PETROLEUM CORPORATION ("Yates"), by its attorneys Campbell, Carr, Berge and Sheridan, P. A. and hereby move the Oil Conservation Division for an order dismissing with prejudice the application of Premier Oil & Gas, Inc., and in support of their motion state:

1. Premier has failed to exhaust its administrative remedies and has waived its right to challenge the exclusion of its FV1 well from the Avalon Delaware Unit.
2. The Commission lacks authority to reconsider the fairness of the Avalon Delaware Unit.
3. Premier's application is an impermissible collateral attack on a final order of

the Commission.

4. The Commission's assertion of continuing jurisdiction over a case before it does not permit reconsideration of an order once it has become final.

WHEREFORE, Exxon and Yates submit that Premier may not now ask the Commission to order the inclusion of its FV1 Well in the Avalon Delaware Unit and, as more fully discussed in the brief filed herewith in support of this motion, the Application of Premier must be dismissed with prejudice.

Respectfully submitted,



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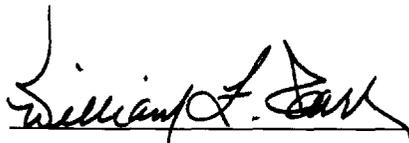
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion of Exxon Corporation and Yates Petroleum Corporation to Dismiss the Application of Premier Oil & Gas, Inc. was hand delivered this 23rd day of February, 1998 to:

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