

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST LOTHIAN OIL TEXAS I, INC., FINDING THAT AS TO THE BEDINFIELD FEDERAL NO. 001 WELL, THE OPERATOR KNOWINGLY AND WILLFULLY VIOLATED OIL CONSERVATION DIVISION RULE 19.15.4.201 NMAC, OR IN THE ALTERNATIVE, OPERATOR KNOWINGLY AND WILLFULLY VIOLATED NMSA 1978, SECTION 70-2-31(b)(2) AND RULE 19.15.13.1115 NMAC; FINDING THAT OPERATOR KNOWINGLY AND WILLFULLY VIOLATED RULE 19.15.3.103 NMAC AS TO THE SQUARE LAKE 12 UNIT NO. 111 WELL; ASSESSING PENALTIES; REQUIRING OPERATOR TO RETURN THE WELLS TO COMPLIANCE BY A DATE CERTAIN; AUTHORIZING THE DIVISION TO PLUG THE BEDINGTON FEDERAL NO. 001 WELL IN THE EVENT OF OPERATOR'S NON-COMPLIANCE; EDDY COUNTY, NEW MEXICO.

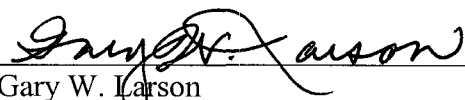
CASE NO. 14014

ENTRY OF APPEARANCE

Hinkle, Hensley, Shanor & Martin, LLP hereby enters its appearance as counsel for Lothian Oil Texas I, Inc.

Respectfully submitted,

HINKLE, HENSLEY, SHANOR & MARTIN, LLP



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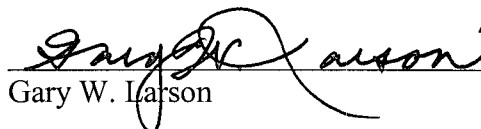
Attorneys for Lothian Oil Texas I, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing *Entry of Appearance* was served by email and first-class mail this 30th day of October, 2007, to:

Sonny Swazo, Esq.
Assistant General Counsel
Oil Conservation Division
Energy, Minerals and Natural Resources Dept.
1220 S. St. Francis Drive
Santa Fe, NM 87505



Gary W. Larson