

STATE OF NEW MEXICO RECEIVED
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION 2008 APR 4 AM 10:24

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST SOUTHWEST ROYALTIES, INC., FINDING THAT OPERATOR IS IN VIOLATION OF OIL CONSERVATION DIVISION RULE 19.15.4.201 NMAC AS TO ELEVEN WELLS, REQUIRING OPERATOR TO RETURN SAID WELLS TO COMPLIANCE BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE, DECLARING THE WELLS ABANDONED AND AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE, EDDY AND LEA COUNTY, NEW MEXICO.

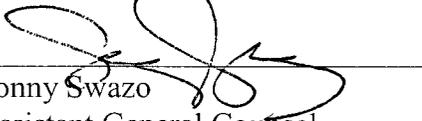
CASE NO. 14077

Motion to Dismiss Application for Compliance Order Against Southwest Royalties, Inc.

COMES NOW Applicant Oil Conservation Division and hereby requests that this case be dismissed.

AS GROUNDS Applicant Oil Conservation Division states the parties have entered in an agreed compliance order that will resolve the issues that are the basis of the Application.

Respectfully submitted,
this Fourth day of April 2008 by



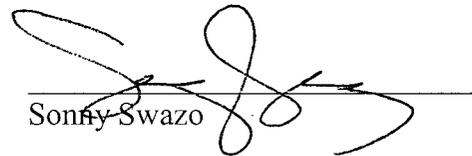
Sonny Swazo
Assistant General Counsel
Energy, Minerals and Natural Resources
Department of the State of New Mexico
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3463
Fax (505) 476-3462

Email:sonny.swazo@state.nm.us

Attorney for The New Mexico Oil
Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of Applicant's Motion to Dismiss Application for Compliance Order Against Southwest Royalties, Inc., was emailed to Dawn Howard at dhoward@claytonwilliams.com and mailed by first class mail to Dawn Howard, Southwest Royalties, Inc., 6 Desta Drive, Suite 2100, Midland, Texas 79705 42129, this Seventh day of April 2008.


Sonny Swazo