

RECEIVED  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
2007 NOV 15 11:09 AM 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 BEDINGFIELD 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.

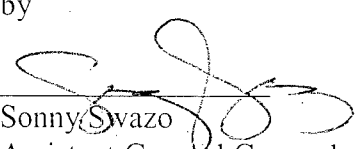
CASE NO. 14014.

MOTION TO DISMISS WITHOUT PREJUDICE

COMES NOW Applicant Oil Conservation Division ("OCD") and hereby moves to dismiss Case No. 14014 without prejudice on the following grounds:

1. Lothian Oil Texas I, Inc., is currently in Chapter 11 Bankruptcy.
2. Gary Larson, attorney for Lothian Oil Texas I, Inc., concurs with this motion.

RESPECTFULLY SUBMITTED,  
this 15 day of November, 2007  
by

  
Sonny Swazo  
Assistant General Counsel  
Energy, Minerals and Natural  
Resources Department of the State of  
New Mexico

WST 1/2/08

1220 S. St. Francis Drive  
Santa Fe, NM 87505  
(505) 476-3463  
sonny.swazo@state.nm.us

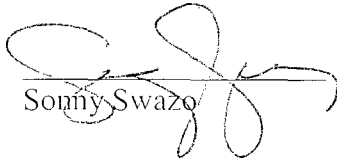
Attorney for The New Mexico Oil  
Conservation Division

Certificate of Service

I certify that I served a copy of this pleading by e-mail and by first class mail to:

Gary W. Larson  
Hinkle, Hensley, Shanor & Martin, LLP  
218 Montezuma  
Santa Fe, NM 87501  
glarson@hinklelawfirm.com

this 15 day of November, 2007.

  
Sonny Swazo