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

2008 SEP 17 PM 3 12

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST MESQUITE SWD, INC., SUSPENDING MESQUITE'S AUTHORITY TO INJECT INTO THE EXXON STATE NO. 008 UNDER ORDER NO. SWD-180 UNTIL MESQUITE SHOWS THAT THE INJECTED FLUIDS ARE NOT ESCAPING TO UNAUTHORIZED INJECTION ZONES; REQUIRING COMPLIANCE WITH ORDER NO. SWD-180 AND RULE 19.15.9.703 NMAC; AND REQUEST FOR EXPEDITED HEARING; EDDY COUNTY, NEW MEXICO.

CASE NO. 14136

MOTION TO DISMISS APPLICATION FOR COMPLIANCE ORDER AGAINST MESQUITE SWD, INC.

COMES NOW, Applicant Oil Conservation Division and hereby moves to dismiss the case.

AS GROUNDS, Applicant Oil Conservation Division states the issues will be addressed in Respondent Mesquite SWD, Inc.'s, pending application for authority to inject into the Exxon State No. 008 well.

WHEREFORE, Applicant Oil Conservation Division respectfully requests that the above entitled case be dismissed without prejudice.

Respectfully submitted,

this 17th day of September 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 New Mexico Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of September 2008, a copy of the foregoing motion was sent to Respondent's Attorney Thomas Hnasko via fax, mail and email.

Thomas Hnasko., Esq. P.O. Box 2068 Santa Fe, NM 87504-2068 Fax (505) 982-8623 Email: thnasko@hinklelawfirm.com

Attorney for Respondent Mesquite SWD, Inc.

Sonny Swazo