



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

November 14, 2001

Lori Wrotenbery
Director

Oil Conservation Division

FOR RECORD ONLY

American Inland Resources Company, LLC
P. O. Box 50938
Midland, Texas 79710
Attention: Michael D. Prichard

***Reinstatement of Division
Administrative Order NSP-977***

Dear Mr. Prichard:

Reference is made to the following: (i) your application dated August 27, 2001 (*application reference No. pKRV0-124836078*); (ii) the Division's initial response by letter from Mr. Michael E. Stogner, Hearing Officer/Engineer in Santa Fe, dated October 30, 2001; (iii) your response by letter dated November 5, 2001 with the additional information that serves to complete your application; and (iv) the Division's records in Santa Fe, including the file on Division Administrative Order NSP-077: all concerning American Inland Resources Company, LLC's ("American Inland") request to reinstate a previously approved non-standard 120-acre gas spacing and proration unit ("GPU") in the Jalmat Gas Pool (79240) comprising the E/2 SE/4 and SW/4 SE/4 of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

The rules and procedures currently governing the Jalmat Gas Pool include but are not necessarily limited to:

- (i) the "*Special Rules and Regulations for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B (2) (b);
- (iii) Division Rules 104.D (2) and 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Division Rules 1207.A (2) and (3); and
- (v) the amended Stipulated Declaratory Judgment of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgment").

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