

American Inland Resources Co., LLC

P.O. Box 50938

Midland, TX 79710

Phone: 915-685-0981

August 27, 2001

Oil Conservation Division
Attn: Mr. Michael Stogner
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Non Standard Pro-ration unit
For Hadfield #2
Section 21, T-25-S, R-37-E

Dear Sir:

American Inland Resources Co., LLC, request approval for a non-standard pro-ration unit of 120 acres, that being the South half of the Southeast quarter and the Northeast quarter of the Southeast quarter of Section 21, for the Hadfield #2 well to the Jalmat Pro-Gas Pool (79240), Lea County, NM. American Inland Resources operates the South ½ of Section 21 in addition to the South half of the Northwest quarter and the East half of the Northeast quarter of Section 21.

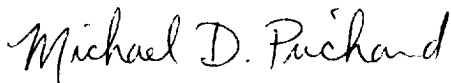
The Hadfield #2 was drilled and completed as a Queen producer. The well underwent a workover in order to improve production. It was perforated from 2716-2768. This well is productive of gas only.

Included are copies of the C-104's and C-102 indicating the 120 acres American Inland Resources request for the non-standard pro-ration unit.

Offset operators Gruy Petroleum Management Co. and Bettis, Boyle & Stovall have been provided copies of this request.

Your approval of this request is greatly appreciated. If you require additional information, please call: 915-685-0981.

Sincerely,



Michael D. Prichard
Operations Engineer