

# HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068  
SANTA FE, NEW MEXICO 87504-2068  
(505) 982-4554 FAX (505) 982-8623

LEWIS C. COX, JR. (1924-1993)  
CLARENCE E. HINKLE (1901-1985)

OF COUNSEL  
O. M. CALHOUN\*, JOE W. WOOD  
RICHARD L. CAZZELL\*, RAY W. RICHARDS\*\*  
L. A. WHITE\*\*

AUSTIN AFFILIATION  
HOFFMAN & STEPHENS, P.C.  
KENNETH R. HOFFMAN\*  
TOM D. STEPHENS\*  
RONALD C. SCHULTZ, JR.\*

WILLIAM P. JOHNSON  
STANLEY K. KOSTOVSKY, JR.  
H. R. THOMAS  
ELLEN S. CASEY  
MARGARET CARTER LUDEWIG  
S. BARRY PASNER  
COLEMAN YOUNG\*\*  
MARTIN MEYERS  
WYATT L. BROOKS\*\*  
DAVID M. RUSSELL\*\*  
ANDREW J. COUTIER  
STEPHAN E. LANDRY  
KIRT E. MCCELLING\*\*  
DIANE F. FISHER  
JULIE P. NEERKEN

WILLIAM P. SLATTERY  
JAMES A. GILLESPIE  
MARGARET R. MCNETT  
LISA K. SMITH\*\*  
NORMAN D. EWART\*  
DARREN T. GROCE\*  
MOLLY MCINTOSH  
MARCIA B. LINCOLN  
SCOTT A. SHLAR\*\*  
PAUL G. NASON  
CATHERINE MCCLANAHAN  
R. "TREY" ARVIZU, II  
AMY C. WRIGHT\*

\*NOT LICENSED IN NEW MEXICO

\*\*FORMERLY COMPRISING THE FIRM OF  
CULTON, MORGAN, BRITAIN & WHITE, P.C.

PAUL W. EATON  
CONRAD E. COFFIELD  
AROLD L. HENSLEY, JR.  
STUART D. SHANOR  
ERIC D. LANPHERE  
C. D. MARTIN  
ROBERT P. TINNIN, JR.  
MARSHALL G. MARTIN  
MASTON C. COURTNEY\*\*  
DON L. PATTERSON\*\*  
DOUGLAS L. LUNSFORD  
NICHOLAS J. NOEDING  
\* CALDER EZZELL, JR.  
WILLIAM B. BURFORD\*  
RICHARD E. OLSON  
RICHARD R. WOLFONG\*  
THOMAS J. McBRIDE  
JAMES J. WECHSLER  
NANCY G. CURACK  
JEFFREY L. FORNACIAR  
JEFFREY D. HEWETT  
JAMES BRUCE  
JERRY F. SHACKELFORD\*  
JEFFREY W. HELLBERG\*  
WILLIAM F. COUNTISS\*  
ALBERT L. RITTS  
THOMAS M. HNASKO  
JOHN C. CHAMBERS\*  
GARY D. COMPTON\*  
W. H. BRIAN, JR.\*\*  
RUSSELL J. BAILEY\*\*  
CHARLES R. WATSON, JR.\*\*  
THOMAS D. HAINES, JR.  
GREGORY J. NIBERT  
MARK C. DOW  
FRED W. SCHWENDIMANN  
JAMES M. HUDSON  
JEFFREY S. BAIRD\*  
THOMAS E. HOOD\*  
REBECCA N. CHOLS. JOHNSON

January 5, 1995

David Catanach  
Oil Conservation Division  
2040 Pacheco Street  
Santa Fe, New Mexico

**Re: Case No. 11152, the Joint Application of Texaco/Marathon for  
a Pressure Maintenance Project**

Dear Mr. Catanach:

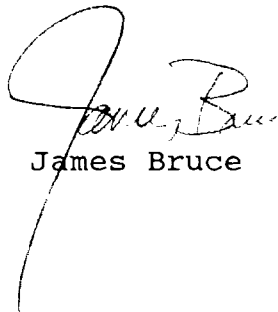
Shell Western E&P Inc., a party in the above case, presents the following proposal regarding allowables for producing wells within the project area: Shell proposes that the 187 barrel per day allowable for each proration unit, as proposed by Texaco/Marathon, be left in place. However, Shell proposes that each producing well be allowed to produce a maximum of 222 barrels of oil per day. This request is based on two reasons: (1) Marathon's engineer testified that institution of the pressure maintenance program may increase the producing ability of certain wells up to 35 barrels per day.  $187 + 35 = 222$ ; and (2) Shell is concerned that if a well produces at too high a rate it may adversely affect offsetting acreage. However, the 222 barrel per day allowable should allow an operator within the project area to produce sufficient hydrocarbons to prevent any oil from being swept off that operator's acreage.

David Catanach  
Oil Conservation Division  
January 5, 1995  
Page 2

I had intended to make this proposal at the January 5, 1995 hearing, but due to the adverse weather conditions and the breakdown of my vehicle, I was unable to get to the hearing.

Very truly yours,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY

A handwritten signature in cursive script, appearing to read "James Bruce", is written over the typed name. The signature is fluid and somewhat stylized, with a large initial 'J' and a long, sweeping underline.

James Bruce

Enclosures

cc: W. Thomas Kellahin, Esq.  
William F. Carr, Esq.

JGB/sp