

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 12271

APPLICATION OF TRIUMPH EXPLORATION, INC.
FOR AMENDMENT OF DIVISION ORDER NO. R-9082 TO AUTHORIZE
A TERTIARY RECOVERY PROJECT BY MICRO EMULSION FLOODING
IN ITS TONTO LEASE PROJECT AREA, AND TO QUALIFY THIS
PROJECT FOR THE RECOVERED OIL TAX RATE
PURSUANT TO THE ENHANCED OIL RECOVERY ACT,
LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Triumph Exploration
Attn: Stella Swanson
P.O. Box 10282
Midland, TX 79702-7280
(405) 982-1935 ext. 115
name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OPPOSITION OR OTHER PARTY

NM&O Operating Company
6 East 5th Street, Suite 200
Tulsa, OK 74103

ATTORNEY

James Bruce, Esq.
Post Office Box 1056
Santa Fe, NM 87504

OCT 14 AM 3:40
OIL CONSERVATION DIVISION

STATEMENT OF CASE

APPLICANT

Applicant seeks approval to institute a secondary recovery project in its Tonto Lease Project Area by micro emulsion flooding of the Yates-Seven Rivers formation in the South Tonto Yates-Seven Rivers Pool. This project area encompasses the SW/4, NE/2 SE/4 and the SE/4 SE/4 of Section 30, Township 19 South, Range 33 East. Applicant also seeks to qualify the project area for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Sections 7-29-A-1 through 7-29-A-5, NMSA 1978). The lease is located approximately 24 miles west of Hobbs, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

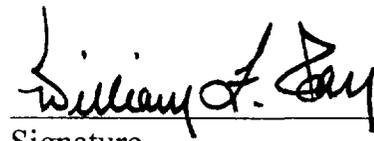
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Stella Swanson (Landman)	10 minutes	4 exhibits
Randall R. Foster (Petroleum Engineering)	20 minutes	3 exhibits
H.L. Atnipp (Petroleum Engineering)	15 minutes	0 exhibits

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS

None at this time.



Signature