

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE APPLICATION OF)	
CONDOR ENERGY TECHNOLOGY LLC FOR)	
AN ORDER ESTABLISHING AN)	Cause No. _____
EXPLORATORY 640-ACRE DRILLING AND)	
SPACING UNIT, ALLOWING UP TO FOUR (4))	Docket No. _____
HORIZONTAL WELLS TO BE DRILLED IN)	
THE PROPOSED UNIT, AND ESTABLISHING)	
WELL LOCATION RULES FOR THE)	
NIOBRARA FORMATION LOCATED IN)	
SECTION 23, TOWNSHIP 7 NORTH, RANGE)	
60 WEST, 6 TH P.M., WELD COUNTY,)	
COLORADO)	

APPLICATION

Condor Energy Technology LLC ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing one (1) 640-acre exploratory drilling and spacing unit and authorizing one (1) horizontal well with the option to drill up to three (3) additional horizontal wells within the 640-acre exploratory drilling and spacing unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the following lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.

2. Applicant holds the right to operate on the following lands (hereafter the "Application Lands"):

Township 7 North, Range 60 West, 6th P.M.
Section 23: All

Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. The Application Lands are subject to Commission Rule 318.a. which provides that a well to be drilled in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. There are no other specific Commission Orders applicable to the Niobrara Formation underlying the Application Lands.

4. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights, to avoid waste, and to assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the reservoir, Applicant requests that the Commission establish one (1) exploratory drilling and spacing unit of approximately 640 acres for the Application Lands. A drilling and spacing unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the drilling and spacing unit.

5. Applicant further requests that the Commission allow it to drill and complete one (1) horizontal well with the option to drill up to three (3) additional horizontal wells in the established exploratory 640-acre drilling and spacing unit comprised of the Application Lands for the development of the Niobrara Formation.

6. The Applicant is requesting up to two (2) well pads, unless an exception is otherwise granted by the Director, with the horizontal wells to be drilled from each well pad. The Applicant states that each proposed horizontal well and wellpad shall be located on the surface anywhere within the drilling and spacing unit. The treated interval of the proposed horizontal well shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit) and the optional horizontal wells shall be no closer than 150 feet from the first well, unless an exception is granted by the Director.

7. The Applicant maintains that the proposed horizontal wells will have no adverse effect on correlative rights of adjacent owners.

8. That according to the information and belief of the Applicant, the names and addresses of the interested parties hereto are set forth in Exhibit A; and the undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

A. Establishing the Application Lands as an approximate 640-acre exploratory drilling unit for the Niobrara Formation, in which one (1) horizontal well with the option of up to three (3) additional horizontal wells are authorized to be drilled on the Application Lands.

B. Providing that the treated interval of the proposed horizontal wells shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit) and not less than 150' feet from the treated interval of another well within the unit and authorizing up to two (2) well pads to be located anywhere within the drilling and spacing unit.

C. Finding that an approximate 640-acre exploratory drilling unit for the Niobrara Formation will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation on the Application Lands.


D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October, 2012, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 15th day of August, 2012.

Respectfully submitted:

CONDOR ENERGY TECHNOLOGY LLC

By: 

Jamie L. Jost
Theresa M. Sauer
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address:

Condor Energy Technology LLC
c/o South Texas Reservoir Alliance
ATTN: Angie Galvan
1416 Campbell, Building B, Suite 204
Houston, Texas 77055

VERIFICATION

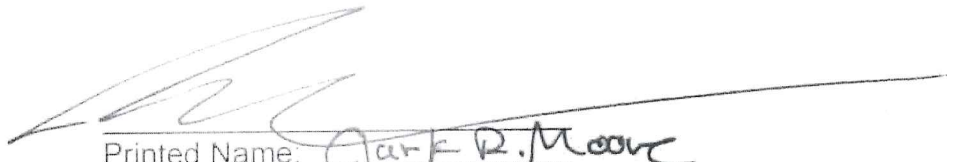
STATE OF CALIFORNIA)

COUNTY OF Contra Costa)

) ss.

Clark Moore, Executive Vice President, with Condor Energy Technology LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

CONDOR ENERGY TECHNOLOGY LLC



Printed Name: Clark R. Moore
Title: Executive Vice President

Subscribed and sworn to before me this 31 day of July, 2012, by Clark Moore,
EVP for Condor Energy Technology LLC.

Witness my hand and official seal.

My commission expires: May 26, 2016



Valentina Babichev
Notary Public

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SECTION 23, TOWNSHIP 7 NORTH, RANGE)
60 WEST, 6TH P.M., WELD COUNTY,)
COLORADO)

Cause No. _____

Docket No. _____

AFFIDAVIT OF MAILING

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

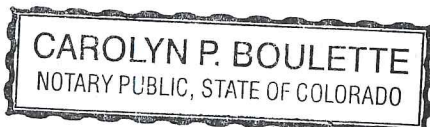
That she is the attorney for Condor Energy Technology LLC, that on or before August 10th, 2012, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Jamie L. Jost
Jamie L. Jost

Subscribed and sworn to before me on August 1st, 2012.

Witness my hand and official seal.

My commission expires: October 22, 2015.



My Comm. Expires October 22, 2015

Carolyn P. Boulette
Notary Public

EXHIBIT A
INTERESTED PARTIES

Winn Exploration Co., Inc.
Attn: Michael W. Calley
800 North Shoreline Blvd.
Suite 1900 North
Corpus Christi, TX 78401

Condor Energy Technology LLC
Attn: Clark Moore
3315 Highway 50
Silver Springs, Nevada 89429

Pacific Energy Development Corp.
Attn: Frank C. Ingriselli, President and
Chief Executive Officer
4125 Blackhawk Plaza Circle, Suite 201A
Danville, California 94506

Crain Energy, Ltd.
Attn: Darren Groce, Legal/Land
222 East Tyler Street
PO Box 2146
Longview, TX 75606

Esenjay Oil & Gas, Ltd.
Attn: Linda D. Schibi,
Vice President, Land
500 N. Water Street, Suite 1100 S
Corpus Christi, TX 78401-0236

Lacy Properties, Ltd.
Attn: Darren Groce, Legal/Land
222 East Tyler Street
PO Box 2146
Longview, TX 75606

Continental Resources, Inc.
P.O. Box 1032
Enid, OK 73702

Continental Resources, Inc.
302 N. Independence
Enid, OK 73701

Apple Creek, LLC
335 South York Street
Denver, CO 80209

Great Western Oil & Gas Company
1700 Broadway, Suite 650
Denver, CO 80290-1170

Prima Exploration, Inc.
100 Fillmore Street, Suite 450
Denver, CO 80206

Blackhead Petroleum, LLC
17190 East Dorado Pl.
Centennial, CO 80015

Prima Exploration, Inc.
Nominee for Marshall Resources
4295 South Fox Street
Englewood, CO 80110

Gene F. Lang & Co.
19751 East Main Street, Suite 334
Parker, CO 80138

Patricia A. Truesdell
2205 37th Street #40
Evans, CO 80206

Antelope Energy Company, LLC
407 North Big Spring, Suite 240
Midland, TX 79701

James K. and Sherry L. Ullmann
119 N. Fremont Ave.
Johnstown, CO 80534

Hat Creek Royalty LTD.
P.O. Box 3240
Midland, TX 79702

David Bauer
Weld County Government
1111 H Street
Greeley, CO 80632

Kent Kuster
Colorado Department of Public
Health and Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Kim Kaal
Energy Liaison
Colorado Division of Wildlife
711 Independent Ave.
Grand Junction, CO 81505

Proposed 640 Acre Spacing Units And 1280 Spacing Units

Township 7 North,
Range 59 West, 6th PM
&
Township 7 North,
Range 60 West, 6th PM

28	27	26	25	30	29	28	27	26	25	30	29	28
8N60W 33	34	35	36	31	32	8N59W 33	34	35	36	31	32	8N5 33
4	3	2	1	6	5	4	3	2	1	6	5	4
9	10	11	12	7	8	9	10	11	12	7	8	9
16	15	14	13	18	17	16	15	14	13	18	17	16
7N60W 21	22	23	24	19	20	7N59W 21	22	23	24	19	20	7N5 21
28	27	26	25	30	29	28	27	26	25	30	29	28
33	34	35	36	31	32	33	34	35	36	31	32	33
4	3	2	1	6	5	4	3	2	1	6	5	4
6N60W 9	10	11	12	7	8	6N59W 9	10	11	12	7	8	6N5 9

Legend

 Property Location

