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 VACATING A PORTION OF)	Cause No
ORDER NO. 535-144, ESTABLISHING A	
1280-ACRE EXPLORATORY DRILLING AND	Docket No.
SPACING UNIT, ALLOWING UP TO EIGHT)	
(8) HORIZONTAL WELLS TO BE DRILLED IN)	
THE PROPOSED UNIT, AND ESTABLISHING)	
WELL LOCATION RULES FOR THE)	
NIOBRARA FORMATION LOCATED IN)	
SECTIONS 19 AND 20, TOWNSHIP 7	
NORTH, RANGE 59 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 to: (i) vacate an existing 640-acre drilling and spacing unit, (ii) establish one (1) approximate 1280-acre exploratory drilling and spacing unit, and (iii) allow one (1) horizontal well with the option to drill up to seven (7) additional horizontal wells within the 1280-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 59 West, 6th P.M.

Section 19: All

Section 20: All

Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On March 5, 2012, the Commission issued Order No. 535-144, which, among other things, established three (3) approximate 640-acre exploratory drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands, including Section 19, Township 7 North, Range 59 West, and authorized up to two (2) horizontal wells within each unit, with the treated interval of the wells to be no closer than 600 feet from the boundaries of the unit.

- 4. The Applicant requests that the Commission: (i) vacate the 640-acre drilling and spacing unit established by Order No. 535-144 only as to Section 19, Township 7 North, Range 59 West, 6th P.M., (ii) establish one (1) exploratory drilling and spacing unit of approximately 1,280 acres for the Application Lands for the development of the Niobrara Formation, and (iii) allow one (1) horizontal well with the option to drill up to seven (7) additional horizontal wells within the approximate 1280-acre exploratory drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.
- 5. 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 1,280 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.
- 6. Applicant further requests that the Commission allow it to drill and complete one (1) horizontal well with the option to drill up to seven (7) additional horizontal wells in the established exploratory 1,280-acre drilling and spacing unit comprised of the Application Lands for the development of the Niobrara Formation.
- 7. The Applicant is requesting up to four (4) well pads, unless an exception is 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.
- 8. The Applicant maintains that the proposed horizontal wells will have no adverse effect on correlative rights of adjacent owners.
- 9. That according to the information and belief of the Applicant, the names and addresses of the interested parties will be submitted pursuant to Rule 503; 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. Vacating the 640-acre drilling and spacing unit established by Order No. 535-144 only as to Section 19, Township 7 North, Range 59 West, 6th P.M.
- B. Establishing the Application Lands as an approximate 1,280-acre exploratory drilling unit for the Niobrara Formation, in which one (1) horizontal well with the option of up to seven (7) additional horizontal wells are authorized to be drilled on the Application Lands.

- C. 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 four (4) well pads to be located anywhere within the drilling and spacing unit.
- D. Finding that an approximate 1,280-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.
- E. 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 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)
) ss
COUNTY OF Contra Costa)

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 P. Moor

Title: Executive Vice President

Subscribed and sworn to before me this 3/ day of July, 2012, by Clark Moore, for Condor Energy Technology LLC.

Witness my hand and official seal.

My commission expires: May 76, 2016

VALENTINA BABICHEV
COMM. # 1979715
NOTARY PUBLIC • CALIFORNIA
CONTRA COSTA COUNTY
MY COMM. EXP. MAY 26, 2016

Valenting Bakicher Notary Public

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 VACATING A PORTION OF ORDER NO. 535-144, ESTABLISHING A 1280-ACRE EXPLORATORY DRILLING AND SPACING UNIT, ALLOWING UP TO EIGHT (8) HORIZONTAL WELLS TO BE DRILLED IN THE PROPOSED UNIT, AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION LOCATED IN SECTIONS 19 AND 20, TOWNSHIP 7 NORTH, RANGE 59 WEST, 6 TH P.M., WELD COUNTY, COLORADO	Cause No
AFFIDAVIT OF	MAILING
STATE OF COLORADO)	
)ss. CITY AND COUNTY OF DENVER)	
Jamie L. Jost of lawful age, and being first dul	y sworn upon her oath, states and declares:
That she is the attorney for Condor Energy T 2012, she caused a copy of the attached Application postage prepaid, addressed to the parties listed on E Jamie	on to be deposited in the United States Mail,
Subscribed and sworn to before me on Augus	et 147, 2012.
Witness my hand and official seal.	
My commission expires: October 22, 20	<u>15.</u>
CAROLYN P. BOULETTE NOTARY PUBLIC, STATE OF COLORADO My Comm. Expires October 22, 2015	ry Public

EXHIBIT A INTERESTED PARTIES

[To be submitted pursuant to Rule 503.e.]

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
33	160W 34	35	36	31	32	8N: 33	59W 34	35	36	31	32	8N5 33
4	3	2	1	б	5	4	3	2	1	б	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 7:N5
21	N60W	23	24	19	20	21	22	23	24	19	20	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
6	160W	11	10	7	я	6N5	9W 10	11	10	7	8	6N5 9





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

CONDOR ENERGY TECHNOLOGY LLC FOR AN ORDER VACATING A PORTION OF ORDER NO. 535-144, ESTABLISHING A 1280-ACRE EXPLORATORY DRILLING AND SPACING UNIT, ALLOWING UP TO EIGHT (8) HORIZONTAL WELLS TO BE DRILLED IN THE PROPOSED UNIT, AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION LOCATED IN SECTIONS 19 AND 20, TOWNSHIP 7 NORTH, RANGE 59 WEST, 6 TH P.M., WELD COUNTY, COLORADO	Cause No Docket No Intake No. 13
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 T 2012, she caused a copy of the attached Application postage prepaid, addressed to the parties listed on the Jamie	on to be deposited in the United States Mai
Subscribed and sworn to before me on August	8 th , 2012.
Witness my hand and official seal.	
My commission expires: Quober 22, 300	~~ } 6
CAROLYN P. BOULETTE NOTARY PUBLIC, STATE OF COLORADO My Comm. Expires October 22, 2015	Oly P. Boulette

NOTICE LIST

John Thomas Logan 1200 South Euclid Ave Pasadena, CA 91106

Eileen M. Bruehne 4667 SW 83 Street Palm City, FL 33490

Patty L. Ford 2202 West 69th Ave Greeley, CO 80634

Radinsky Trust Attn: William Litvak 1047 Acoma Street Denver, CO 80204

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

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

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

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

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

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

Billingsley Interests, Ltd 237 Cape Hatteras Corpus Christi, TX 78412

Michael C. Layman 5626 Harvest Hill Corpus Christi, TX 78414 Winn Exploration Co., Inc. 800 N. Shoreline Blvd., Suite 1900 North Corpus Christi, TX 78401

Vecta Oil & Gas, Ltd. 575 Union Blvd., Suite 208 Lakewood CO, 80228

Noble Energy, Inc. 1625 Broadway, Suite 2220 Denver, CO 80202

ACME Oil Corp. LLC 1051-D West Highway 34 Loveland, CO 80537

Robert D. Wellman 485 High Street Denver, CO 80218

Deanne M. Owre 4 Taber Hill Road North Smithfield, Rhode Island 02896

Charles W. Wellman 13747 Rockpoint, Unit 102 Broomfield, CO 80023

Kristin Zinis 1300 South St. Paul Street Denver, CO 80210

Nina Bonn 978 East Irwin Place Centennial, CO 80122

Andrew Wellman c/o Charles Wellman 13747 Rockpoint #102 Broomfield, CO 80023

Paul Wellman c/o Charles Wellman 13747 Rockpoint #102 Broomfield, CO 80023

Ella Brown 1061 Elizabeth Street, Unit 104 Denver, CO 80206

Mary Wellman 786 South 3rd Street Lander, Wyoming 82520

Jay Wellman 485 High Street Denver, CO 80218

Carol Shepherd 1826 21st Street Road, #5 Greeley, CO 80631-6824 Robert H. Markley 5303 11th Street Road Greeley, CO 80634

Mona Archer 5956 Newcombe Court Arvada, CO 80004-4723

Roe Ann Wallin 3931 West 22nd Street Greeley, CO 80634-3916

Lisa A. Scott 1527 Holley Run Drive Lake Charles, LA 70611

Anita Brauer 1088 Sarah Avenue Chico, CA 95926

Terri Root P.O. Box 1116 Running Springs, CA 92382

Patty L. Ford 2202 West 69th Avenue Greeley, CO 80634

Colorado Land Services 1051-D West Highway 34 Loveland, CO 80537

Margaret A. Stephenson 1357 43rd Ave., Unit 27 Greeley, CO 80634

KeyBank National Association, Successor Co-Trustee With George R, Haffke & E. William Haffke, Jr. under the will of George A. Doll 101 South Main St. – 2nd Floor Elkhart, Indiana 46516

E.B. and C.L Scott Survivors Trust, by Clara Lea Scott, Trustee 12356 North Sunnyvale #24 Mesa, AZ 85205

Jeffrey and Gina Ford 55980 Weld County Road 80 New Raymer, CO 80742

Eugene A. Markley 2109 Country Club Cove Fort Collins, CO 80524

Kim Kaal Energy Liaison Colorado Division of Wildlife 711 Independent Ave. Grand Junction, CO 81505 Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

David Bauer Weld County 1111 H Street Greeley, CO 80632

Kenneth Iven Turner 424 East Main Geneseo, Illinois 61254

Estate of W.G. McConnell c/o Harry McConnell Rural Route 3 Spring Valley, Minnesota 55975

The Cadle Company 4363 La France Street Newton Falls, OH 44444

Estate of Fred Loomis Marijo Shide, Heir Route 1, Box 92C Larimore, ND 58251

Sue A. Antoniotti 6945 E Main Street, Apt 3149 Mesa, AZ 85207

Louise M. Wellman 1226 Maple Lake, Rural Route 1 PO Box 249 Mentor, Minnesota 56736

Bruce H. Turner 13278 Entreken Ave San Diego, CA 92129

John Loomis 1240 Monaco Parkway Denver, CO

Nancy Green 792 Bermont Lafayette, CO 80026

Dorothy Loomis 8380 Greensboro Drive, Apt 224 McLean, VA 22102

Judith Stevens 208 Carlisle Ave Pittsburgh, PA 15229

Gerwood Ducker 11039 Ogden Street Northglenn, CO 80233

Freeman Investments 3415 S. Clayton Blvd. Englewood, CO 80110 Orlene Pearson 3520 NE 98th Street Seattle, WA 98115

Robert Julander 4185 S Oneida Street Denver, CO 80237

HS Resources, Inc 1999 Broadway, Suite 3600 Denver, CO 80202

A. Curtis Stockstill 3306 S Pacific Hwy #95 Town & County Estates Medford, Oregan 97501

Billie Jarboe Davis 10000 Wormall Rd, Apt 1312 Kansas City, Missori 64114

Richard Stockstill 311 Berry Circle Franklin, TN 37064

Terry G. Edgar 1801 N Rio Yaqui Green Valley, AZ 85614

Thomas Stockstill 44655 Fig Street Lancaster, CA 93534

Sue Cook 126 E La Soledad Green Valley, AZ 85614

Dane Stockstill 4464 Legend Street SW Concord, NC 29027

Dean Stockstill No Address of Record

Estate of Robert Stockstill No Address of Record

Don C. Self 11733 Tivoli NE Albuquerque, NM 87111

Estate of Irma J. Allen No Address of Record

Rosetta Johnson 506 Locust Larned, KS 67550

North Trust Bank, N.A. and David G. Davies, Successor Co-Trustees of the Marie Ewing Descendent's Trust PO Box 226270 Dallas, TX 75222

Lawrence McArthur 2000 Elbow Lane Greeley, CO 80631

John Edward McAuthur 4417 West 7th Street Greeley, CO 80634

Mile High Oil and Gas, Inc. PO Box 27296 Denver, CO 80227

McAuthor Mineral, LLC 2000 Elbow Lane Greeley, CO 80631

Willis Bennett PO Box 126 Saquache, CO 81149

Laura Bennett PO Box 95 Saquache, CO 81149

Muriel Ward PO Box 95 Saquache, CO 81149

Elizabeth Greenlee No Address of Record

Wesley Cates No Address of Record

Thomas Dean 62 Peacock Lane Locust Valley, NY 11560

Stacey Richard Dean SE 550 Crestview Pullman, WA 99163

James Kerr Hibbs 2821 E. Main Street Ventura, CA 93003

John William Hibbs 2069 East Line Oak Drive Los Angeles, CA 90068

Harry Richard Hibbs, II PO Box 5167 Oxnard, CA 93031

Virginia Margaret Dean Hickman PO Box 178 Rockford, WA 99030