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 A 1280-ACRE)	Cause No.
UNIT AND ESTABLISHING WELL LOCATION)	
RULES FOR THE NIOBRARA FORMATION)	Docket No.
LOCATED IN SECTIONS 8 AND 17,)	
TOWNSHIP 6 NORTH, RANGE 60 WEST, 6 TH)	
P.M., AN UNNAMED FIELD, MORGAN)	
COUNTY, COLORADO)	

<u>APPLICATION</u>

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 a 1280-acre unit and authorizing the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the below-described 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 "Application Lands"):

Township 6 North, Range 60 West, 6th P.M.

Section 8: All Section 17: All

Morgan 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 and to avoid waste, the Commission should establish a 1280-acre unit for the Application Lands.

- 5. That the above-proposed unit will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The 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 unit.
- 6. That the Applicant is requesting to drill and complete the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.
- 7. The Applicant maintains that there be no more than eight (8) well pads within the unit. The treated interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit). All horizontal wells shall be no closer than 150 feet from the treated interval of another well within the unit.
- 8. 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 a 1280-acre unit for the Niobrara Formation, wherein the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre unit are authorized to be drilled as necessary to efficiently produce oil, gas and associated hydrocarbon resources from the unit, prevent waste, and protect correlative rights.
- B. Providing that the treated interval any horizontal well shall be no closer than 600 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit and authorizing up to eight (8) well pads to be located anywhere within the unit.
- C. Finding that a 1280-acre 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 March 2013, 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 2 day of January, 2013.

Respectfully submitted:

CONDOR ENERGY TECHNOLOGY LLC

Ву:

Jamie L. Jost

Gregory J. Nibert Jr.
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 COUTEA COSTA) ss.)	
Clark Magra Evacutive Vice	Procident	1.4

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

Name: Clark Moore

Title: Executive Vice President

Subscribed and sworn to before me this <u>23</u> day of January, 2013, by Clark Moore, EUP+General Complete Condor Energy Technology LLC.

Witness my hand and official seal.

My commission expires: May 26, 20/6

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

Notary Public

January 24, 2013 Application Date March 25 & 26, 2013 Hearing Date

Proposed 640 and 1280 Acre Spacing Units

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

Township 6 North, Range 60 West, 6th PM

25	30	29	28	27	26	25	30	29	28	2
36	31	32	33	34	35	36	31	32	33	3
i	6	5	4	3	2	1	б	5	4	
12	7	8	9	10	11	12	7	8	9	7
13	18	17	16	15	14	13	18	17	16	1
	-		6N	60W					6N	59W —
24	19	20	21	22	23	24	19	20	21	

Legend
Property Location



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

IN THE MATTER OF THE APPLICATION OF CONDOR ENERGY TECHNOL LLC FOR AN ORDER ESTABLISHING 1280-ACRE UNIT AND ESTABLISH WELL LOCATION RULES FOR NIOBRARA FORMATION LOCATE SECTIONS 8 AND 17, TOWNSH NORTH, RANGE 60 WEST, 6 TH P.M. UNNAMED FIELD, MORGAN COLCOLORADO	LOGY ING A SHING THE ED IN HIP 6 M., AN)) Cause No) Docket No))
AFFI	DAVIT OF	MAILING
STATE OF COLORADO)	
CITY AND COUNTY OF DENVER)ss.)	
Jamie L. Jost of lawful age, adeclares:	nd being f	first duly sworn upon her oath, states and
February 4, 2013, she caused a c	copy of the	nergy Technology LLC, that on or before e attached Application to be deposited in essed to the parties listed on Exhibit A to Jamie L. Jost
Subscribed and sworn to befo	re me on l	February, 2013.
Witness my hand and official s	seal.	
My commission expires:	13 20	16.
TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016		Notary Public

EXHIBIT A INTERESTED PARTIES

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

Arentee Investments 20124 Highway 124 Jonesville, LA 71343

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

Condor Energy Technology LLC 1416 Campbell Road, Building B, Suite 204 Houston, TX 77055

Crain Energy, Ltd. 222 East Tyler Street P. O. Box 2146 Longview, TX 75606

Dan Carone 7221 W. Pineview Littleton, CO 80125

Energy Group Company, Inc. 999 18th Street, Suite 1270 Denver, CO 80202

Enervest Energy Institutional Fund X-A, L.P. 1001 Fannin Street, Suite 800 Houston. TX 77002

Enervest Energy Institutional Fund X-WI, L.P. 1001 Fannin Street, Suite 800 Houston, TX 77002

Esenjay Oil & Gas Ltd. 500 North Water Street, Suite 1100 South Corpus Christi, TX 78471

Estate of A. F. Neeley Address Unknown

Estate of O. C. Schuler Address Unknown

Estate of Ralph R. Drennen Address Unknown

Estate of W. E. Camp Address Unknown Foreland Resources, LLC 5950 Cedar Springs Rd., Suite 100 Dallas, TX 75235

Frank Kejr P. O. Box 262 Woodrow, CO 80757

Gene F. Lang
Parker Station
18751 East Mainstreet, Suite 334
Parker, CO 80138

Gene F. Lang & Co. Parker Station 19751 East Mainstreet, Ste. 334 Parker, CO 80138

Kenneth W. Ward 901 Beck Building Shreveport, LA 71101

Lacy Properties, Ltd. 222 East Tyler Street P. O. Box 2146 Longview, TX 75606

Mary Louise Lorenz, formerly Mary Louise Kejr 210 West 1st Street Loveland, CO 80537-5560

Prima Exploration, Inc 4295 South Fox St. Englewood, CO 80110

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

Prima Exploration, Inc., Nominee for M. Scott Homsher 4295 South Fox Street Englewood, CO 80110

R. L. Heid Address Unknown

Sarah Guthrie Address Unknown Schibi Oil & Gas, Ltd. 4706 Grand Lake Corpus Christi, TX 78413 Theodore and Alverna Heiser 230 41st Ave. Greeley, CO 80631

Trinity Energy Corporation 5636 North Montour Road Gibsonia, PA 15044

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

Winn Exploration Co., Inc. 800 North Shoreline Blvd. Suite 1900 North, Corpus Christi, TX 78401