

**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 TO VACATE
ORDER 407-374 IN PART AND
ESTABLISH AN EXPLORATORY 1280-
ACRE DRILLING AND SPACING UNIT
AND ESTABLISHING WELL LOCATION
RULES FOR THE NIOBRARA
FORMATION IN SECTIONS 6 AND 7,
TOWNSHIP 6 NORTH, RANGE 60 WEST,
6TH P.M., AN UNNAMED FIELD,
MORGAN COUNTY, COLORADO

Cause No.

Docket No.

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 vacate a 640-acre drilling and spacing unit established by Order No. 407-374 and establish an exploratory 1280-acre drilling and spacing unit and authorizing the one (1) horizontal well with the option to drill seven (7) additional wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre drilling and spacing unit for the 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 6: All

Section 7: All

Morgan County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On July 8, 2010, the Commission issued Order No. 407-374 which, among other things, established numerous 640-acre drilling and spacing units

underlying certain lands, including Section 6 of the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, authorizing up to two horizontal wells to be located within each unit with the treated interval of any horizontal well to be no closer than 460 feet from the boundaries of the unit, unless an exception is granted by the Director.

4. Section 7 of 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.

5. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an exploratory 1280-acre drilling and spacing unit for the Application Lands.

6. That the above-proposed drilling and spacing 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.

7. That the Applicant is requesting to drill and complete one (1) horizontal well with the option to drill seven (7) additional wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the exploratory 1280-acre drilling and spacing unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.

8. The Applicant maintains that there be no more than eight (8) well pads within the drilling and spacing unit without an exception granted by the Director. 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.

9. 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 for section 6 under Order 407-374 and establishing the Application Lands as an exploratory 1280-acre drilling and spacing unit for the Niobrara Formation, and allowing one (1) horizontal well with the option to drill seven (7) additional wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre drilling and spacing unit 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 unless an exception is granted by the Director.

C. Finding that an exploratory 1280-acre drilling and spacing 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 May 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 7th day of March, 2013.

Respectfully submitted:

CONDOR ENERGY TECHNOLOGY LLC

By: 

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 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


Clark Moore
Executive Vice President

Subscribed and sworn to before me this 6 day of March, 2013, by Clark Moore, _____ for Condor Energy Technology LLC.

Witness my hand and official seal.



Valentia Babichev
Notary Public

IN THE MATTER OF THE APPLICATION
OF CONDOR ENERGY TECHNOLOGY
LLC FOR AN ORDER ESTABLISH AN
EXPLORATORY 1280-ACRE DRILLING
AND SPACING UNIT AND ESTABLISHING
WELL LOCATION RULES FOR THE
NIOBRARA FORMATION IN SECTIONS 6
AND 7, TOWNSHIP 6 NORTH, RANGE 60
WEST, 6TH P.M., AN UNNAMED FIELD,
MORGAN COUNTY, COLORADO

DOCKET NO.

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

That she is the attorney for Condor Energy Technology LLC, that on or before March 15, 2013, 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.

Subscribed and sworn to before me this 27th day of March, 2013.

My commission expires: March 3, 2015

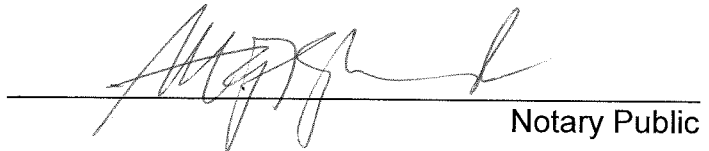


EXHIBIT A
INTERESTED PARTIES

Estate of Edmund B. Colwell,
a/k/a E.B. Colwell
Address Unknown

Estate of Earl W. Butters
Address Unknown

BTPIIEST, LLC
Address Unknown

Estate of Eddie Mack,
a/k/a Pedro Quintana
Address Unknown

Estate of Paul H. Warren
Address Unknown

Colorado-Kansas Royalty
Corporation
Address Unknown

Benjamin T. Poxson Trust
for Tylenn Wardell
Address Unknown

Estate of Nat A. Slagter
Address Unknown

Estate of Mike Popp
Address Unknown

Estate of Alvin Graven
Address Unknown

Estate of R.O. Gordon
Address Unknown

Condor Energy Technology LLC
1416 Campbell Rd.,
Bldg B, Suite 204
Houston, TX 77055

Esenjay Oil & Gas, Ltd.
500 N. Water St., Ste. 1100 South
Corpus Christi, TX 78401

Winn Exploration Co., Inc.
800 North Shoreline Blvd., Ste. 1900
NorthCorpus Christi, TX 78401

Crain Energy, Ltd.
222 East Tyler St.
Longview, TX 75606

Lacy Properties, Ltd
222 East Tyler St.
Longview, TX 75606

RAVCO, Inc.
3756 Bratton
Corpus Christi, TX 78413

Arentee Investments
20124 Hwy 124
Jonesville, LA 71343

Schibi Oil & Gas, Ltd.
5914 Beauvais
Corpus Christi, TX 78414

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

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

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

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

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

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

Foreland Resources, LLC
5950 Cedar Springs Rd., Ste. 100
Dallas, TX 75235

KMS "83"
909 17th Street, Suite 620
Denver, CO 80202

Classic Petroleum Corp.
P.O. Box 980
Castle Rock, CO 80104

Plainsman Royalty
Address Unknown

Shaw Energy Partners Ltd. 83
3719 Arlington Avenue, Suite #3
Riverside, CA 92506

Lynx Exploration
1580 Lincoln Street, Suite 800
Denver, CO 80203

R D G Drilling Company
566 Denver Club Building
Denver, CO 80202

John and Dorothy Gayer
815 Reed Street
Lakewood, CO 80215

James Sadler Jr. and Sarah Sadler
P.O. Box 1565
Easton, MD 21601

Bradden Exploration
1020 15th Street, Suite 10-I
Denver, CO 80202

James P. Nussbaum
5420 South Quebec Street
Englewood, CO 80111

Clarence and Tilma Ensign
870 South Mountain View Road
Castlerock, CO 80104

Jack D. Bradbury
5420 South Quebec
Englewood, CO 80111

Dan Carone
7221 West Pineview
Littleton, CO 80125

Jerry Mickelson
10787 East Crestline Circle
Englewood, CO 80111

John Burns
9800 East Crestline Avenue
Englewood, CO 80111

Roger R. Campbell
402 West Surrey Drive
Castle Rock, CO 80104

William W. Tennant
5410 Stony Hill Court
Grand Blanc, MI 48439
B.M.C.K. Fund
P.O. Box 5179 – W.S.C.
Gunnison, CO 81230

Donald F. MacDonald, Jr. and Jeanette
M. MacDonald
1148 Tumbleweed Court
Flint, MI 48504

William E. Lyon and Nancy Lyon
2111 Miller Road
Flint, MI 48503

Nelson B. and Janice M. Gonzalez
6327 Covert Wagons Trail
Flint, MI 48504

Estate of C.E. Corell
Address Unknown

John Crosthwait
Morgan County
Planning and Zoning
231 Ensign Street
Fort Morgan, CO 80701

Michael Warren
Energy Liaison
Colorado Parks and Wildlife
Northwest Regional Office
711 Independent Ave.
Grand Junction, CO 81505

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

Swanson Production Company
339 Indian Paintbrush Drive
Golden, CO 80401

8801 Investment Co., LLC
8801 South Yale, Suite 150
Tulsa, OK 74137

Estate of J. Donald Crouch
Address Unknown

Black River Royalties, LLC
621 17th Street, Suite 945
Denver, CO 80293

White River Royalties, LLC
4194 South Valentia Street
Denver, CO 80237

Suzanne W. Leach
857 Plymouth Rock Drive
St. Louis, MO 63131

Katherine Heiser
408 9th Street
Greeley, CO

William Heiser
3411 South Scenic
Springfield, MO 65807

Sherill A. Guyette
2011 6th Avenue
Greeley, CO 80631

Lula A. Robinson
4551 Wilson Avenue
San Diego, CA

March 7, 2013 Application Date
May 6 & 7 Hearing Date


Proposed 640 and 1280 Acre Spacing Units

Township 7 North,
Range 59 & 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
1	6	5	4	3	2	1	6	5	4	
12	7	8	9	10	11	12	7	8	9	1
13	18	17	16	15	14	13	18	17	16	1
24	19	20	21	22	23	24	19	20	21	1

6N60W 6N59W

Legend

 Property Location

