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 ESTABLISH AN EXPLORATORY 1280-ACRE DRILLING AND SPACING UNIT AND **ESTABLISHING** WELL LOCATION RULES FOR THE **NIOBRARA** FORMATION IN SECTIONS 18 AND 19. TOWNSHIP 6 NORTH, RANGE 60 WEST, 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 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 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 18: All Section 19: All

1,280 acre, more or less, 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 an exploratory 1280-acre drilling and spacing unit for the Application Lands.
- 5. 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.
- 6. 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.
- 7. The Applicant maintains that there be no more than eight (8) well pads in the unit, unless an exception is granted by 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.
- 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 an exploratory 1280-acre drilling and spacing unit for the Niobrara Formation, wherein 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 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 eight (8) well pads in 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 <u>Y</u> 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

<u>VERIFICATION</u>

STATE OF CALIFORNIA)) ss.
COUNTY OF Contra Cos of)
upon oath deposes and says that he ha	sident, with Condor Energy Technology LLC s read the foregoing Application and that the the best of his knowledge, information and
	CONDOR ENERGY TECHNOLOGY LLC
	Clark Moore Executive Vice President
Subscribed and sworn to before Moore, for Condor E	me this <u>6</u> day of March, 2013, by Clark Energy Technology LLC.
Witness my hand and official sea	al.
COMM. # 1979715 COMM. # 1979715 COMTA COSTA COUNTY NY COMM EXP MAY 26, 2018	Valenting Balice

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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 18 AND 19, TOWNSHIP 6 NORTH, RANGE 60 WEST, 6TH P.M., AN UNNAMED FIELD, MORGAN COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

AFFIDAVIT	OF MAILING
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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 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.

Jamie L. Jost

Subscribed and sworn to before me this Aday of March, 2013.

Witness my hand and official seal.

My commission expires: Manh 3, 20/5

Notary Public

MARY GRACE T. GO-HOVELAND Notary Public State of Colorado

EXHIBIT A INTERESTED PARTIES

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

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

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

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

Ravco, Inc. 3756 Bratton Corpus Christi, TX 78413

Arentee Investments 20124 Highway 124 Jonesville, LA 71343

Schibi Oil & Gas, Ltd. 4706 Grand Lake Corpus Christi, TX 78413

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

Gene F. Lang & Co. Parker Station 18751 East Mainstreet Suite 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. 100 Fillmore Street, Suite 450 Denver, CO 80206

Theodore Heiser and Alverna M. Heiser Address Unknown

Esther A. Furrow Address Unknown

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

Barbara K. Schoonmaker, Trustee 9334 E. Highway 86 Franktown, CO 80116

Paulina Fester 2671 W. 55th Ave. Denver, CO 80221

Freda Moran 5527 Clarendon Way Carmichael, CA 95608

Ruby Poulter 10802 Reddog Rd. Nevada City, CA 95959

Gus Schmidt 5979 Quebec Commerce City, CO 80022

Paul Wagner 1408 Laurel Dr. N. Ft. Myers, FL 33903

Claudette Stock Address Unknown

Jordan Stock Address Unknown Canadian Exploration Company Address Unknown

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

Thomas A. Nixon Address Unknown

Katherine Howard Dixon Hereford 237 Hacienda Carmel Carmel, CA 93921

Katharine T. Johnson Address Unknown

Florence J. Miller 154 Ash Street Park Forest, IL

Elizabeth J. Thompson 948 Lincoln Street Lander, WY

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

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

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

Todd G. Wickstrom 33040 Rd. 4 Orchard, CO 80649

Stephen William Runge and Jo Ann Runge Unknown Address Black River Royalties, LLC 621 17th Street, Suite 945 Denver, CO 80202

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

Asher B. Wilson 6702 46th Ave. East Tacoma, WA 98443

Cleo June Garvis 270 Elm Cross Mountain Home, AR 76253

Mary Belle Neely 10969 E. Baltic Pl. Aurora, CO 80014

PDI Trust dated February 23, 1994, Dennis Irwin, Jr. and Patricia Jean Irwin as Trustees 220 Cimmaron Way Boulder, CO 80303

Cary L. Wickstrom and Todd G. Wickstrom 33040 MCR #4 Orchard, CO 80649

Black Tex Oil, LLC 600 17th Street, Suite 2800 South Denver, CO 80202

Jack Andrew Wagner, Jr. 2038 Haven Crest Chattanooga, TN 37421

Lucille Stock Trust, Barbara K. Schoonmaker as Trustee P.O. Box 618 9334 E. Highway 86 Franktown, CO 80116

Joe I. Perry 550 Custer Ave. Akron, CO 80720 James E. Perdue 431 Sherman St. Fort Morgan, CO

The Howard Family Trust, John George Howard as Trustee Unknown Address

William S. Schicktanz 7220 S. Depew Denver, CO 30128

Sally June Baker 714 E. 18th Ave. Denver, CO

Leroy C. Miles 102 S. 6th St. Livingston, MT

J&B Trust dated October 31, 1996, Lawrence B. Lysinger or Charlotte Lysinger as Trustees 885 W. 6th Ave. Broomfield, CO 80020

Charlotte J. Gaut 6 Flinlock Run Convent Station, NJ 07961

The William K. Warren Foundation P.O. Box 470372 Tulsa, OK 74147-072

Betty Jo Heeb 2618 Whitetail Ct. Antioch, CA 94509

Estate of F.N. Shumaker, Thomas A. Shumaker as Executor 904 Rosecrans St. San Diego, CA 92106

Merle W. Crist 1375 High St., Apt 705 Denver, CO 80218

Estate of D.L. Connelly 3711 San Felipe #56 Houston, TX

Estate of Arthur A. Wilson 286 Teddy Ave. San Francisco, CA 94134

W.A. Lewis 765 Jackson St. Denver, CO

Highland Exploration 626 Patterson Bldg. Denver, CO 80202

JEL Resources, LLC 475 17th St., Ste. 980 Denver, CO 80202 Clara J. Cochran, f/k/a Clara J. Campbell 188 S. Decatur St. Denver, CO

Barbara Schettler-Jehl Address Unknown

Arthur C. Jackson Address Unknown

VFC Company, LLC 475 17th St., Ste. 980 Denver, CO 80202

Estate of John A. Wilson Address Unknown

Diana M. Dancz Address Unknown

Harry Grisbling Address Unknown

Kerr-McGee Oil & Gas Onshore LP 1099 18th St., Ste. 1800 Denver, CO 80202

March 7, 2013 Application Date May 6& 7Hearing 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

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