OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF CONDOR ENERGY TECHNOLOGY LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN EXPLORATORY 640-ACRE DRILLING AND SPACING UNIT IN SECTION 5, TOWNSHIP 6 NORTH, RANGE 60 WEST, 6th P.M., IN THE NIOBRARA FORMATION, UNNAMED FIELD, IN MORGAN COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW COMES NOW Condor Energy Technology LLC ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an approximate 640-acre drilling and spacing unit for the drilling of the Schmidt 5-1H Well ("Well") and the three additional authorized wells in the unit for the development of the Niobrara Formation on the following described lands:

Township 6 North, Range 60 West, 6th P.M. Section 5: All

Morgan County, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
 - 2. Applicant owns certain leasehold interests in the Application Lands.
- 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. Applicant has concurrently filed with this Application a spacing application ("Spacing Application") requesting that the Commission establish an exploratory 640-acre drilling and spacing unit, requesting to drill and complete one (1)

horizontal well with the option to drill up to three (3) additional wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from within the unit for the development of the Niobrara Formation. Said Spacing Application is scheduled to be heard at the June 16, 2013 Commission Hearing.

5. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands for the development of the Niobrara Formation underlying the following approximate 640-acre drilling and spacing unit:

Township 6 North, Range 60 West, 6th P.M. Section 5: All

(hereafter, "the Drilling and Spacing Unit").

- 6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the authorized wells in the Drilling and Spacing Unit to the Niobrara Formation on the Application Lands.
- 7. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.
- 8. That in order to prevent waste and to protect correlative rights, all interests in the Drilling and Spacing Unit should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant 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, the Commission enter its order:

- A. Pooling all interests in the Application Lands and the Drilling and Spacing Unit for the development of the Niobrara Formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the authorized wells in the Drilling and Spacing Unit to the Niobrara Formation on the Application Lands.

- C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara Formation in the Drilling and Spacing Unit comprising 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 June, 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: April <u></u>, 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

Applicant's Address:

Condor Energy Technology LLC c/o STXRA

ATTN: Angie Galvan

1416 Campbell, Building B, Suite 208

Houston, Texas 77055

VERIFICATION

STATE OF CALIFORNIA)
COUNTY OF CALIFORNIA)
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 \(\frac{12}{12} \) day of April, 2013, by Clark Moore, \(\frac{12}{12} \) for Condor Energy Technology LLC.
Witness my hand and official seal.
My commission expires: May 26 2016 Valentina Babichev Comm. # 1979715 COMM. # 1979715 Notary Public 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 TO POOL ALL INTERESTS IN AN EXPLORATORY 640-ACRE DRILLING AND SPACING UNIT IN SECTION 5, TOWNSHIP 6 NORTH, RANGE 60 WEST, 6th P.M., IN THE NIOBRARA FORMATION, UNNAMED FIELD, IN MORGAN COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

AFFIDAVIT OF MAILING

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

Gregory J. Nibert, Jr. of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Condor Energy Technology LLC, that on or before April 29, 2013, he 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.

Gregory Nibert, Jr.

Subscribed and sworn to before me this 29 day of April, 2013.

Witness my hand and official seal.

whission expires:_

10-04-13

Notary Public

EXHIBIT A INTERESTED PARTIES

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

Esenjay Oil & Gas, Ltd. 500 North Water Street, Suite 1100 South Corpus Christi, TX 78401

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

Eldridge-Miller Enterprises, LLC c/o JPMorgan Chase Bank, N.A. P.O.Box 25848
Oklahoma City, OK 73125

WER Holdings, Inc. 6 Meadow Brook Place The Woodlands, TX 77382

Herring Hoover Rowsey Royalty, LLC c/o JCR Exploration, Inc. P.O.Box 386
Muskogee, OK 74402

Foreland Resources, LLC 5950 Cedar Springs Road, Suite 100 Dallas, TX 75235

Colorado Energy Minerals, Inc. P.O.Box 899 Denver, CO 80201

Winn Exploration Co., Inc. 800 north Shoreline Boulevard, Suite 1900 North Corpus Christi, TX 78401 Lacy Properties, Ltd. 222 East Tyler Street P.O.Box 2146 Longview, TX 75606

Herring Rowsey Properties, LLC c/o JCR Exploration, Inc. P.O.Box 386
Muskogee, OK 74402

Marilyn M. Stoehr 3516 N. W. 20th Oklahoma City, OK 73107

Hyndrex Resources P.O.Box 7417 Loveland, CO 80537

Juanita Neal or her heirs and devisees 1348 Clark Road Modesto, CA 95351

Hiram Neal 1348 Clark Road Modesto, CA 95351

Barbara Sue Day, individually and Barbara Sue Day Irrevocable Trust dated January 8, 2010 1104 San Juan Court Arlington, TX 76012

Corliss White Bloedorn c/o The Farmers State Bank of Fort Morgan P.O.Box 798 Ft. Morgan, CO 80701

Afton Kelly or his heirs and devisees 918 East 6th Street Sulphur, OK 73086 Pamela Martin McColloch 4254 Lavale Court Clemmons, NC 27012

Harlan Lester 214 Bowden Coffeyville, KS 67737

Frank Musgrave Frank L. Musgrave & Company 2715 E. Flora Place Denver, CO 80210

Target Energy, Inc. 79 Butler Lane New Canaan, CT 06840

H. B. Bloedorn, individually and H. B. Bloedorn Foundation P.O.Box 798 Ft. Morgan, CO 80701

Estate of Sarah Kiella Hoshour 184 Rivergate Place Loda, CA 95240

Mary Kelly and her heirs and devissees 918 East 6th Street Sulphur, OK 73086

Wayne Lester 721 North Oliver Street Elk City, OK 73644

Leoda Jo Kassner, fka Leoda Jo Martin 2228 Bellview Drive Oklahoma City, OK 73112

Phillip Sands Martin, aka Phillip S. Martin 600 Brushwood Irving, TX 75063

Musgrave Family LLL Partnership 629 W. North St. Aspen, CO 81611

Frank Wang No address of record

H&K Energy, Inc. P.O.Box 51 Wiggins, CO 80654

Becky L. Knappe 3292 S. Flamingo Way Denver, CO 80222

Enervest Energy Institutional Fund X-A, LP 1001 Fannin, Suite 800 Houston, TX 77002

R.T. Knappe aka Robert T. Knappe, Jr. No address of record

Enervest Energy Insitutional Fund X-WI, LP 1001 Fannin, Suite 800 Houston, TX 77002

Sharon Marie Cropper 3353 West 35th Street Greeley, CO 80634

Marlon L. Schmidt and Cathryn Schmidt 5243 Pawnee Drive Greeley, CO 80634

K and R Enterprises P.O.Box 963 Cheyenne, WY 82003

Alonzo Petteys Trust c/o The Farmers State Bank of Brush P.O.Box 324 Brush, CO 80723

Mary Ann McCourt 8015 Mountain Road Place NE Suite 205 Albuquerque, NM 87110 Shari Schreiber 2121 44th Avenue Greeley, CO 80634