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 AN)	Cause No
EXPLORATORY 640-ACRE DRILLING AND)	
SPACING UNIT, ALLOWING UP TO FOUR (4)	Docket No
HORIZONTAL WELLS TO BE DRILLED IN)	
THE PROPOSED UNIT, AND ESTABLISHING)	
WELL LOCATION RULES FOR THE)	
NIOBRARA FORMATION LOCATED IN)	
SECTION 18, 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 establishing one (1) 640-acre exploratory drilling and spacing unit and authorizing one (1) horizontal well with the option to drill up to three (3) additional horizontal wells within the 640-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 18: All

Weld 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, 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 640 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.
- 5. Applicant further requests that the Commission allow it to drill and complete one (1) horizontal well with the option to drill up to three (3) additional horizontal wells in the established exploratory 640-acre drilling and spacing unit comprised of the Application Lands for the development of the Niobrara Formation.
- 6. The Applicant is requesting up to two (2) 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.
- 7. The Applicant maintains that the proposed horizontal wells will have no adverse effect on correlative rights of adjacent owners.
- 8. That according to the information and belief of the Applicant, the names and addresses of the interested parties will be submitted to the Commission 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. Establishing the Application Lands as an approximate 640-acre exploratory drilling unit for the Niobrara Formation, in which one (1) horizontal well with the option of up to three (3) additional horizontal wells are authorized to be drilled on the Application Lands.
- B. 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 two (2) well pads to be located anywhere within the drilling and spacing unit.
- C. Finding that an approximate 640-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.
- 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 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) 55.
Clark Moore, Executive Vice Predeposes and says that he has read the therein are true to the best of his knowledge.	sident, with Condor Energy Technology LLC, upon oath foregoing Application and that the statements contained edge, information and belief.
	CONDOR ENERGY TECHNOLOGY LLC
	Printed Name: Oak 2. Moove Title: Executive Vice President
Subscribed and sworn to before for Condor Energy	me this <u>3/</u> day of July, 201 2, by Clark Moore, Fechnology LLC.
Witness my hand and official sea	al.
My commission expires: May 26,	2016
VALENTINA BABICHEV COMM. # 1979715 NOTARY PUBLIC - CALIFORNIA CONTRA COSTA COUNTY MY COMM. EXP. MAY 26, 2016	Valentina Balicher Notary Public

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

CONDOR ENERGY TECHNOLOGY LLC FOR AN ORDER ESTABLISHING AN EXPLORATORY 640-ACRE DRILLING AND SPACING UNIT, ALLOWING UP TO FOUR (4) HORIZONTAL WELLS TO BE DRILLED IN THE PROPOSED UNIT, AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION LOCATED IN SECTION 18, TOWNSHIP 7 NORTH, RANGE 59 WEST, 6 TH P.M., WELD COUNTY, COLORADO)) Cause No) Docket No)))))
AFFIDAVIT OF	MAILING
STATE OF COLORADO)	
)ss. CITY AND COUNTY OF DENVER)	
Jamie L. Jost of lawful age, and being first du	lly sworn upon her oath, states and declares:
That she is the attorney for Condor Energy 2012, she caused a copy of the attached Applicat postage prepaid, addressed to the parties listed on James	ion to be deposited in the United States Mail
Subscribed and sworn to before me on Augu	st / 1, 2012.
Witness my hand and official seal.	
My commission expires: October 22, 20	457
CAROLYN P. BOULETTE NOTARY PUBLIC, STATE OF COLORADO My Comm. Expires October 22, 2015	ary Public

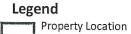
EXHIBIT A INTERESTED PARTIES

[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	N60W 34	35	36	31	32	8N5 33	59W 34	35	36	31	32	8N5 33
4	3	2	1	б	5	4	3	2	1	б	5	4
9	10	# 1	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	б	5	4	3	2	1	6	5	4
6	N60W	11	10	7	A		9W 10	11	10	7	8	6N5 9





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 AN EXPLORATORY 640-ACRE DRILLING AND SPACING UNIT, ALLOWING UP TO FOUR (4) HORIZONTAL WELLS TO BE DRILLED IN THE PROPOSED UNIT, AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION LOCATED IN SECTION 18, TOWNSHIP 7 NORTH, RANGE 59 WEST, 6 TH P.M., WELD COUNTY, COLORADO)) Cause No) Docket No))))
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That she is the attorney for Condor Energy 2012, she caused a copy of the attached Application postage prepaid, addressed to the parties listed or	on to be deposited in the United States Mail, the attached Notice List.
	mie L. Jost
Subscribed and sworn to before me on Aug	ust <u>*</u> , 2012.
Witness my hand and official seal.	
My commission expires: October 22,3	<u>V</u> 15.
CAROLYN P. BOULETTE NOTARY PUBLIC, STATE OF COLORADO My Comm. Expires October 22, 2015	arely A. Brucette

EXHIBIT A

Amber Waves 25210 Highway 392 Greeley, CO 80631

Antelope Energy Company, LLC 407 North Big Spring, Suite 240 Midland, TX 79701

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

The Revocable Trust of Douglas P. Battin 78 Sutton Drive Vernon, Connecticut 06066

Alexander L. Bezzerides 2518 Valley View Ct., Unit A Lewiston, ID 83501

Nichiolas C. Bezzerides 8438 S.E. Clackamas Road Clackamas, Oregon 97267

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

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

Betty Jean Bosley 27 Lake Road #117 Irvine, CA 92604

Daniel F. Brooks 3237 N. Forest Lakes Wichita, KS 67205 Patricia Anne Carter 108 Residents Lane Branson, MO 65616

Corinne L.Chapman 6800 W. 23rd St. Greeley, CO 80634

Cheyenne Royalties, LLC P.O. Box 1706 Casper, Wyoming 82602

Scott R. Clark 8185 Moore Street Arvada, CO 80005

Condor Energy Technology, LLC 3315 Highway 50 Silver Springs, NV 89429

Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702 302 N. Independence Enid, OK 73701

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

Delbert C. Eichenger JoAnn Eichenger 11471 Billings Ave. Lafayette, CO 80026

Esenjay Oil & Gas, Ltd. 500 N. Water Street, Suite 1100 South Corpus Christi, TX 78401 Flatiron Energy Company, Inc. 6666 Gunpark Drive, Suite 200 Boulder, CO 80301

Gale S. Frady 507 Sulgrave Drive Columbia, SC 29210

June Garver, attorney-in-fact For Clarice Hatcher 2215 S. Chase St., Apt. 35 Port Angeles, WA 98362

John S. Gibson Production, LLC P.O. Box 842 Fort Morgan, CO 80701

Great Western Oil & Gas Company 1700 Broadway, Suite 650 Denver, CO 80290-1170

Grindstone Resources, LLC 5228 Lonetree Drive Loveland, CO 80537

Paul D. Hess 506 Kent Drain, Oregon 97435

Roxanne Honaker 14909 Padero Ct. Bakersfield, CA 93306

Lila M. Huges 4108 E. 6th St. Cheyenne, WY 82001

Kristen L. Johnson No address in Materials Examined

Doris L. Johnston Ralph A. Johnston 2131 Astoria Lane Longmont, CO 80504 Lacy Properties, Ltd. 222 East Tyler Street P.O. Box 2146 Longview, TX 75606

Gene F. Lang 19751 East Main Street, Suite 334 Parker, CO 80138

Gene F. Lang & Co. 19751 East Main Street, Suite 334 Parker, CO 80138

Michael C. Layman 5626 Harvest Hill Corpus Christi, TX 78414

Jay Kenneth Littlefield and Linda L. Littlefield 117 Juniper Drive Sterling, Colorado 80751

Jay Kenneth Littlefield and Linda L. Littlefield, as Trustees of the Littlefield Family Joint Living Trust 117 Juniper Drive Sterling, Colorado 80751

Mike L. Livengood and Shanna Livengood 40501 WCR 113 New Raymer, Colorado 80742

Markus Production, Inc. 2100 W. Littleton Blvd., Suite 245 Littleton, CO 80120

Markus Royalty, LLC 2100 W. Littleton Blvd. Suite 245 Littleton, CO 80120

Marubeni Denver Julesburg LLC 2800 Post Oak Blvd., Suite 6000 Houston, TX 77056 Edgar L. Mcvay Rosalyn M. McVay 1103 Madison Avenue Cheyenne WY 82001

Mary Anne McCourt No address available

Priscilla L. Ohler 2015 Shawn Ave. Weiser, ID 83672

Donald E. Olson and Margaret B. Olson, As Trustees of the Donald E. Olson Living Trust P.O. Box 2780 Cheyenne, WY 82003

Bill Paul 1004 Kopra St. Truth or Consequences, NM 87901

Darryl J. Paul 8524 Canterbury Lake Blvd. Tampa, FL 33619

Denice L. Paul 1949 Amberwood Dr. Riverview, FL 33578

Pacific Energy Development Corp. 4125 Blackhawk Plaza Circle, Suite 201A Danville, CA 94506

Powder Morning, LLC 100 Fillmore Street, Suite 450 Denver, CO 80206

Andrew J. Prebish 3439 E. Poinsettia Dr. Phoenix, AZ 85028

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

M. Scott Homsher 4295 South Fox Street Englewood, CO 80110

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

Dena Kristi Read 17190 East Dorado Pl. Centennial, CO 80015

Linda Santora 813 E. 20th St. Dr. Greeley, CO 80634

Glen Schild 5020 Pierre St. Rapid City, SD 57702

Lynn Schild 2000 S. Joliet Sioux Falls, SD 57110

Donald Charles Schmotzer 4115 Barbara Drive West Columbia, SC 29169

Ruby Schmotzer 1012 Ontario Dr. West Columbia, SC 29169

Noreen Smith f/k/a Noreen E. Rosmis 390 Tina St. Hollister, MO 65672

Benjamin V. Sperr 335 South York Street Denver, CO 80209

Katherine A. Sperr 335 South York Street Denver, CO. 80209 SR Royalty LLC 633 17th Street, Suite 2170 Denver, CO 80202

Patricia A. Truesdell 2205 37th Street #40 Evans, CO 80206

James K. and Sherry L. Ullmann 119 N. Fremont Ave. Johnstown, CO 80534

Ravco, Inc. 3756 Bratton Corpus Christi, TX 78413

Arentee Investments 20124 Highway 124 Jonesville, Louisiana 71343

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

Lola K. Ennis George E. Ennis 43604 N. Terrace View Ave. San Tan Valley, AZ 85140

Lawrence L. Dinsmoor 6340 W. 81st St. Los Angeles, CA 90045

David L. Kelln 2456 Chama Ave. Loveland, CO 80538 Donald H. Kelln Vickie J. Kelln 11619 W. 84th Lane Arvada, CO 80005

Elizabeth K. Harris 9757 Kipling St. Westminster, CO 80021

Danielle Ullmann
No address in Materials Examined

Todd R. Ullmann
No address in Materials Examined

The United Methodist Church of Wray c/o Robert L. Schneider, Trustee 500 Blake Street Wray, CO 80758

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

City of Wray, Colorado c/o Kris Jones, Mayor P.O. Box 35 Wray, CO 80758

Wray Area Foundation, Inc. c/o Lance Bohall P.O. Box 314 Wray, CO 80758