

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL PLUGGING APPLICATION**  
Please TYPE Form and File ONE Copy

Form CP-1  
March 2009  
This Form must be Typed  
Form must be Signed  
All blanks must be Filled

OPERATOR: License #: 33725  
Name: Foundation Energy Management, LLC  
Address 1: 14800 Landmark Blvd. Ste. 220  
Address 2: \_\_\_\_\_  
City: Dallas State: TX Zip: 75254 + 1434  
Contact Person: David Koss  
Phone: (918) 585-1650

API No. 15 - 159-35237-0000  
If pre 1967, supply original completion date: 6/4/64  
Spot Description: \_\_\_\_\_  
C - NE-SW-NW Sec. 13 Twp. 18 S. R. 10  East  West  
3,630 Feet from  North /  South Line of Section  
4,290 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Rice  
Lease Name: Schultz A Well #: 4

Check One:  Oil Well  Gas Well  OG  D&A  Cathodic  Water Supply Well  Other: \_\_\_\_\_  
 SWD Permit #: \_\_\_\_\_  ENHR Permit #: \_\_\_\_\_  Gas Storage Permit #: \_\_\_\_\_  
Conductor Casing Size: \_\_\_\_\_ Set at: \_\_\_\_\_ Cemented with: \_\_\_\_\_ Sacks  
Surface Casing Size: 8-5/8" Set at: 206 Cemented with: 150 Sacks  
Production Casing Size: 5-1/2" Set at: 3254 Cemented with: 75 Sacks

List (ALL) Perforations and Bridge Plug Sets:

Open hole

Elevation: 1751 ( G.L. /  K.B.) T.D.: 3266 PBTD: 3266 Anhydrite Depth: 440  
(Stone Corral Formation)

Condition of Well:  Good  Poor  Junk in Hole  Casing Leak at: \_\_\_\_\_  
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

per KCC instructions

Is Well Log attached to this application?  Yes  No Is ACO-1 filed?  Yes  No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Kent Strube

Address: P.O. Box 533 City: Claffin State: KS Zip: 67525 + \_\_\_\_\_

Phone: (620) 786-4161

Plugging Contractor License #: 32098 Name: Classic Well Service

Address 1: P.O. Box 539 Address 2: \_\_\_\_\_

City: Claffin State: KS Zip: 67525 + \_\_\_\_\_

Phone: (620) 562-8088

Proposed Date of Plugging (if known): \_\_\_\_\_

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 1/28/2010 Authorized Operator / Agent: \_\_\_\_\_  
(Signature)

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Handwritten initials and date: KW  
2/10/10

RECEIVED  
FEB 01 2010  
KCC WICHITA

Handwritten initials and date: KW  
2/10/10



Mark Parkinson, Governor Thomas E. Wright, Chairman Joseph F. Harkins, Commissioner

## NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

• FOUNDATION ENERGY MANAGEMENT, LLC  
14800 LANDMARK BLVD  
STE 220  
DALLAS, TX 75254-1434

February 10, 2010

Re: SCHULTZ A #4  
API 15-159-35237-00-00  
13-18S-10W, 3630 FSL 4290 FEL  
RICE COUNTY, KANSAS

Dear Operator:

The purpose of this letter is twofold. First, this letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.**

This letter is also to notify you that during the central office's review of your CP-1 for license number verification, staff has discovered that you are not the current operator of record of the above well on file with the Conservation Division. **Central office staff is therefore requesting that you verify that you are the operator of record of the above well. The proper procedure for verifying operator authority is by filing a Conservation Division form T-1 (Request for Change of Operator; Transfer of Injection or Surface Pit Permit).** If a T-1 has already been filed with the Conservation Division reflecting the transfer of operator authority, please disregard this paragraph. If a T-1 has not been filed reflecting the transfer, please see the attached letter, which explains the T-1 filing process.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. Furthermore, this notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

**This notice is void after August 9, 2010. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.**

Sincerely,

Steve Bond

Production Department Supervisor

District: #2  
3450 N. Rock Road, Suite 601  
Wichita, KS 67226  
(316) 630-4000