KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Tes	t:				(See Instruct	ions on Rev	erse Side	9)					
	pen Fl elivera				Test Date	e:				No. 15 023-20798-0	0-00			
Company FOUNDATION ENERGY MANAGEMENT, L					LLC		Lease RAILE				Well Number 41-31			
County CHEYENNE			Location NENE		Section 31		TWP 3S		RNG (E/W) 41W		Acres Attributed			
					Reservoir NIOBRARA				thering Conne	Connection TAR/KINDER MORGAN				
Completion Date 8/27/2007					Plug Bac 1589'	k Total Dept	h		Packer Set at					
Casing Size 7", 41/2"			Weig 17#,	ht 9.5#		Internal Diameter 9-7/8", 6-1/4"		Set at 302', 1645'		Perforations 1454'		то 1496 '		
Tubing Size 2-3/8"			Weight 4.7#		Internal Diameter 1.995"		Set at 1507'		Perforations		То			
Type Cor			escribe)			Type Fluid Production SALTWATER				Pump Unit or Traveling Pl YES		lunger? Yes / No		
Producing Thru (An TUBING			inulus / Tubing) % Carbon			arbon Dioxi	de		% Nitrogen		Gas Gravity - G			
Vertical E		H)				Pres	sure Taps				(Meter	Run) (P	rover) Size	
Pressure	Builde	——- up:	Shut in1/1	5 2	14 _{at} 1	1:00 AM	(AM) (PM)	ſaken		20 .	at		(AM) (PM)	
Well on Line:			Started 1/16 20		o <u>14</u> at <u>1</u>	14 at 11:00 AM		(AM) (PM) Taken		20		at(AM		
				· · · · · ·		OBSERVE	D SURFACE	DATA			Duration of Shut-	_{in} 24	Hour	
Static / Dynamic Property	Dynamic Size		Circle one: Meter Prover Press psig (Pm)		Flowing Well Head Temperature t t		Casing Wellhead Pressure (P _w) or (P _t) or (P _c) psig psia		Tubing Weilhead Pressure (P _w) or (P ₁) or (P _c) psig psia		Duration (Hours)		d Produced Barrels)	
Shut-In								80						
Flow														
		_				FLOW STR	EAM ATTRIE	UTES		· · · · · ·			ı	
Plate Coeffiecient (F _b) (F _p) Mcfd		Circle one: Meter or Prover Pressure psia		Press Extension ✓ P _m xh	Fact	Gravity Factor To		Flowing Devi emperature Fa Factor F		Metered Flow R (Mcfd)	GOR (Cubic Fe Barrel)		Flowing Fluid Gravity G _m	
					<u> </u>									
(P _c) ² =		:	(P _w) ² =	·:	(OPEN FLO		ERABILITY) 6 (P _e		.ATIONS · 14.4 =	:		2 = 0.2 2 =	07	
$(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$		(F	5°)5- (b")5	Choose formula 1 or 2 1. $P_c^2 - P_a^2$ 2. $P_c^2 - P_d^2$ divided by: $P_c^2 - P_d^2$	LOG of formula 1, or 2. and divide	P _a ² · P _w ²	Backpressure Curve Slope = "n" 		n x	LOG [Antilog	Open Flow Deliverability Equals R x Antilog (Mcfd)		
Open Flor	w			Mcfd @ 14.	65 psia		Deliverabili	ty		N	lcfd @ 14.65 psi	a		
				n behalf of the		t. Kanbaboo	Received #PORMION CO	OMMISSIO!			and that he ha		ledge of 20 <u>14</u> .	
			Witness (If any)			P 0 3 20			For C o	тралу	-		
			For Corn	nission			VICHITA, KS	PIUN		Check	ed by	-		

I declare under penalty of perjury under the laws of the state of Kansas that I am authorized to request exempt status under Rule K.A.R. 82-3-304 on behalf of the operator Foundation Energy Management, LLC and that the foregoing pressure information and statements contained on this application form are true and correct to the best of my knowledge and belief based upon available production summaries and lease records of equipment installation and/or upon type of completion or upon use being made of the gas well herein named. I hereby request a one-year exemption from open flow testing for the RAILE 41-31 gas well on the grounds that said well:
(Check one) is a coalbed methane producer is cycled on plunger lift due to water is a source of natural gas for injection into an oil reservoir undergoing ER is on vacuum at the present time; KCC approval Docket No. ✓ is not capable of producing at a daily rate in excess of 250 mcf/D I further agree to supply to the best of my ability any and all supporting documents deemed by Commission staff as necessary to corroborate this claim for exemption from testing.
Date; 8/29/2014
Signature: Well-Nathur Title: OPERATIONS ASSISTANT
Title: OFERATIONS ASSISTANT

Instructions:

If a gas well meets one of the eligibility criteria set out in KCC regulation K.A.R. 82-3-304, the operator may complete the statement provided above in order to claim exempt status for the gas well.

At some point during the current calendar year, wellhead shut-in pressure shall have been measured after a minimum of 24 hours shut-in/buildup time and shall be reported on the front side of this form under OBSERVED SURFACE DATA. Shut-in pressure shall thereafter be reported yearly in the same manner for so long as the gas well continues to meet the eligibility criterion or until the claim of eligibility for exemption IS denied.

The G-2 form conveying the newest shut-in-pressure reading shall be filed with the Wichita office no later than December 31 of the year for which KNSARGHERMACHICAL COMMISSION PROPERTY IN THE STATE OF THE STATE OF