KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test | t: ' | | | • | | See Instruct | ions on Rev | erse Side |) | | | | |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------|--------------|---------------------------------------|------------------------------|--|
| Open Flow | | | | | Total Debut | | | | | N. 45 -023 | 3-21208-00-00 | 1 | |
| De | liverat | ilty | , | | Test Date |): | | | API | No. 15 -020 | -21200-00-00 | • | |
| Company | | | | <u></u> | | . t | Lease | | | | | Well Number | |
| _Founda | ation | Ene | ergy Mana | gement, LLC | C | | RAY | | | | | 41-17 | |
| CHEYENNE Location SE-NW-NE-NE | | | | | Section | 17 | TWP 2S , | | RNG (E/W) 38W | | · · · · · · · · · · · · · · · · · · · | Acres Attributed | |
| Field CHERRY CREEK | | | | Reservoir NIOBRARA | | | | | hering Conn ern Star | ectión | | | |
| Completion Date 1/20/2009 | | | | Plug Back Total Depth 1535' | | | | Packer S | et at | | | | |
| Casing Size 7", 4½" | | | _ | Weight 17#, 10.5# | | Diameter | Set at 209, 1570, | | Perforations 1350' | | To 1390' | то 1380' | |
| Tubing Size | | | ##, 10.5#_ Weight | | 6.538, 4.052 Internal Diameter | | 298', 1579' Set at | | Perforations | | To | | |
| 2-3/8" 4.7# | | | | | .995 | | 1412' | | | | • | | |
| Type Completion (Describe) SINGLE (GAS) | | | | | Type Fluid Production SALTWATER | | | | Pump Unit or Traveling Plunger? Yes: / No YES, rod pump | | | | |
| Producing Thru (Annulus / Tubing) | | | | % Carbon Dioxide | | | | % Nitrogen Gas Gravity - G _g | | | avity - G | | |
| ANNUL | | -15 | | | | Bree | sure Taps | | | | (Materia) | Run) (Prover) Size | |
| Vertical D | epinir | n) | | | | Pres | sure laps | | | | . (ivieter i | | |
| Pressure | Buildu | ıp: | Shut in | 9/15 2 | 15 at 1 | 0:30 AM | (AM) (PM) | Taken | • | 20 | at | (AM) (PM) | |
| Well on Line: | | | Started | 9/16 2 | 15 at 1 | 0:30 AM | (AM) (PM) | Taken | | 20 | at | (AM) (PM) | |
| | | | | • | • | OBSERVE | D SURFACE | DATA | | | Duration of Shut- | in 24 Hour | |
| Static / | Orifice Size (inches) | | Circle one: Meter | Pressure Differential | Flowing Temperature | Well Head | Casing Wellhead Pressure (P_{ψ}) or (P_c) | | Tubing Wellhead Pressure (P _w) or (P _t) or (P _c) | | Duration | Liquid Produced (Barrels) | |
| Dynamic Property | | | Prover Pressu | in in | | Temperature t | | | | | (Hours) | | |
| | · · · · · | · | psig (Pm) | Inches H ₂ 0 | | | psig | psia | psig | psia | _ | | |
| Şhut-In | | _ | | | ī - | | 205 | | | | | | |
| Flow | | | | | <u></u> | <u> </u> | | | <u> </u> | | | <u> </u> | |
| | - | | | | | FLOW STR | EAM ATTRIE | BUTES | Т | | <u> </u> | | |
| Plate Coeffieclent (F _b) (F _p) Mcfd | | Circle one: Meter or Prover Pressure psia | | Press Extension Pmxh | Grav Fac F _s | tor T | Temperature Fa | | diation Metered Flow actor R F _{pv} (Mcfd) | | y GOR (Cubic Fe Barrel) | | |
| | | | | | · | | , | | | | | | |
| (P _o) ² = | | | (P _w) ² = | | • | | ERABILITY) | CALCUL - 14.4) + | | ě | (P _s) | ² = 0.207 | |
| | | <u>-</u> : | • | Choose formula 1 or 2 | | | 1 | sure Curve | | | | Open Flow | |
| (P _c) ² - (P _a) ² or | | (P _o) ² - (P _w) ² | | 1. P ₀ ² -P _a ² | LOG of formula | ı | Slope = "n" | | n x LOG | | Antilog | Deliverability | |
| or (P _c) ² - (P _d) ² | | | | 2. P _c ² -P _d ² divided by: P _c ² -P _d | 1. or 2. and divide by: | P _c ² - P _w ² | | | | | | Equals R x Antilog (Mcfd) | |
| | | | | | | | | | 1 | _ | | | |
| | | | | <u> </u> | | · · · | 1 | | | | | | |
| Open Flow | | | • | Mcfd @ 14. | 4.65 psia | | Deliverability | | Mcfd @ 14.65 psia | | a | | |
| The u | unders | igned | d authority, or | behalf of the | Company, s | tates that he | e is duly aut | horized to | o makë th | e above repo | rt and that he ha | s knowledge of | |
| the facts st | tated t | herei | n, and that sa | id report is true | | Poès | Nin em -1 | | day of | 00 | TOBER | , 20 15 | |
| | | | 22.0 | | KAN | SAS CORPORA | TION COMMI <u>SS</u> | ION | | | | | |
| Wilness (if any) | | | | any) | OCT_0 9 2015 | | | | For Company | | | | |
| | | | For Comm | ission | С | ONSERVATIONSERVATIONSERVATIONS | M:DIVIEION | | | Chec | cked by | | |

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|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 RAY 41-17 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:10/5/2015 |
| Received Signature: Wall Jawill OCT 0 9 2015 CONSERVATION DIVISION WICHITA, KS Signature: OPERATIONS ASSISTANT Title: OPERATIONS 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 it's intended to acquire exempt status for the subject well. The form must be signed and dated on the front side as though it was a verified report of annual test results.