## KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test                                                                     | :<br>en Flo       | w                                                               |                                       |                                                                                                                            | ,                              |                       | ctions on Re                                                | verse Side                                           | •                                                           | 000          | 20042 00 00               |                                      |                  |  |
|-------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------|-------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------|--------------|---------------------------|--------------------------------------|------------------|--|
| Del                                                                           | liverab           | ilty                                                            |                                       | •                                                                                                                          | Test Date                      | Test Date: 11/13/2015 |                                                             |                                                      |                                                             | No. 15 UZ3-2 | 20042-00-00               |                                      |                  |  |
| Company                                                                       |                   |                                                                 |                                       |                                                                                                                            |                                |                       | Lease                                                       |                                                      | · · · · · · · · · · · · · · · · · · ·                       |              | 1                         | Nell Nu                              |                  |  |
|                                                                               | tion              | Ene                                                             |                                       | ement, LL                                                                                                                  |                                | ZWEYGARDT             |                                                             |                                                      |                                                             |              |                           | 1-3                                  |                  |  |
| County Location CHEYENNE C-NW                                                 |                   |                                                                 |                                       |                                                                                                                            | Section TWP 3S                 |                       |                                                             |                                                      | RNG (E/\<br>41                                              | ,            | Acres Attributed          |                                      |                  |  |
| Field<br>CHERRY CREEK                                                         |                   |                                                                 |                                       |                                                                                                                            | Reservoir<br>NIOBRARA          |                       |                                                             | Gas Gathering Connection Kinder Morgan/Southern Star |                                                             |              |                           |                                      |                  |  |
| Completio                                                                     |                   |                                                                 | -                                     |                                                                                                                            | Plug Back Total Depth          |                       |                                                             |                                                      | Packer S                                                    |              |                           |                                      |                  |  |
| 10/14/1                                                                       |                   |                                                                 |                                       |                                                                                                                            | 1583' Internal Diameter Set at |                       |                                                             |                                                      |                                                             | _ 17         |                           |                                      |                  |  |
| Casing Size Weight 8-5/8", 4 ½" 24# 9.5#                                      |                   |                                                                 |                                       |                                                                                                                            | 7, 4.090                       |                       | Set at<br>308', 1621'                                       |                                                      | Perforations<br>1450'                                       |              | ™<br>1473′                |                                      |                  |  |
| Tubing Size Weight                                                            |                   |                                                                 |                                       | Internal D                                                                                                                 | Diameter                       | Set a                 | Set at                                                      |                                                      | Perforations                                                |              | То                        |                                      |                  |  |
| 2 3/8"                                                                        |                   | / 🗅 -                                                           |                                       | 4.7#                                                                                                                       | 1.995 1483'                    |                       |                                                             |                                                      | Diamer He                                                   |              | Dl V                      | / Na                                 |                  |  |
| Type Completion (Describe) SINGLE                                             |                   |                                                                 |                                       | Type Fluid Production SALTWATER                                                                                            |                                |                       |                                                             | Pump Unit or Traveling Plunger? Yes / No ROD PUMP    |                                                             |              |                           | Р                                    |                  |  |
| Producing Thru (Annulus / Tubing)                                             |                   |                                                                 |                                       |                                                                                                                            |                                | % Carbon Dioxide      |                                                             |                                                      |                                                             | % Nitrogen   |                           |                                      | Gas Gravity - G  |  |
| ANNULUS                                                                       |                   |                                                                 |                                       |                                                                                                                            |                                |                       |                                                             |                                                      |                                                             |              |                           |                                      |                  |  |
| Vertical D                                                                    | epth(H            | I)                                                              |                                       |                                                                                                                            |                                | Pre                   | ssure Taps                                                  |                                                      |                                                             |              | (Meter F                  | Run) (Pr                             | over) Size       |  |
| Pressure Buildup: Shut in11/1220_15 at12:00 AM(AM) (PM) Taken                 |                   |                                                                 |                                       |                                                                                                                            |                                |                       |                                                             |                                                      |                                                             | AM) (PM)     |                           |                                      |                  |  |
| Well on Line: Started 11/13 20 15 at 12:00 AM (AM) (PM) Taken 20 at (AM) (FM) |                   |                                                                 |                                       |                                                                                                                            |                                |                       |                                                             |                                                      |                                                             |              | AM) (PM)                  |                                      |                  |  |
|                                                                               |                   |                                                                 |                                       | <u> </u>                                                                                                                   |                                | OBSERV                | ED SURFAC                                                   | E DATA                                               |                                                             |              | Ouration of Shut-         | in2                                  | 4 Hours          |  |
| Static / Orifice                                                              |                   | Circle one: Pressure Meter Differential                         |                                       | Flowing Well Head                                                                                                          |                                |                       | Casing<br>Wellhead Pressure                                 |                                                      | Tubing<br>Welinead Pressure                                 |              | Liquid                    | Liquid Produced                      |                  |  |
| Dynamic<br>Property                                                           | Size<br>(inches)  |                                                                 | Prover Pressure in                    |                                                                                                                            | Temperature Temperature        |                       | (P <sub>w</sub> ) or (P <sub>1</sub> ) or (P <sub>c</sub> ) |                                                      | (P <sub>w</sub> ) or (P <sub>t</sub> ) or (P <sub>c</sub> ) |              | Duration<br>(Hours)       | •                                    |                  |  |
| Shut-In                                                                       | (                 |                                                                 | psig (Pm)                             | Inches H <sub>2</sub> 0                                                                                                    |                                |                       | psig                                                        | psia                                                 | psig                                                        | psia         | , ,                       |                                      |                  |  |
|                                                                               |                   |                                                                 |                                       |                                                                                                                            |                                |                       | 63                                                          |                                                      |                                                             |              | <del></del>               |                                      |                  |  |
| Flow                                                                          |                   |                                                                 |                                       |                                                                                                                            |                                | FLOW ST               | REAM ATTR                                                   | IBUTES                                               |                                                             | <u> </u>     |                           | ]                                    |                  |  |
| Plate                                                                         |                   |                                                                 | Circla one:                           | Press                                                                                                                      |                                |                       | Flowing                                                     |                                                      | T                                                           |              | 200                       |                                      | Flowing          |  |
| Coefficcient                                                                  |                   | Meter or<br>Prover Pressure                                     |                                       | Extension                                                                                                                  | Grav<br>Fac                    | tor _                 | Temperature<br>Factor                                       | 1                                                    | ation Metered Fk<br>ctor R                                  |              | GOR<br>(Cubic Fe          | et/                                  | Fluid<br>Gravity |  |
| (F <sub>b</sub> ) (F <sub>p</sub> )<br>Mcfd                                   |                   | psia                                                            |                                       | √ P <sub>m</sub> xh                                                                                                        | √ P <sub>m</sub> xh            |                       | Fit                                                         | F                                                    | F <sub>pv</sub> (Mcfd)                                      |              | Barrel)                   |                                      | G <sub>m</sub>   |  |
|                                                                               |                   |                                                                 |                                       |                                                                                                                            |                                |                       | *                                                           |                                                      |                                                             |              |                           |                                      |                  |  |
|                                                                               | ı.                |                                                                 | 4                                     |                                                                                                                            | (OPEN FL                       | OW) (DELI             | VERABILITY                                                  | ') CALCUL                                            | ATIONS                                                      |              | (D.)                      | 2. 0.0                               | 07               |  |
| (P <sub>c</sub> ) <sup>2</sup> =                                              |                   | _:                                                              | (P <sub>w</sub> )² =                  | <u>:</u>                                                                                                                   | •                              |                       |                                                             | •                                                    | · 14.4 =                                                    | :            | (P <sub>a</sub> )         | 2 = 0.20<br>2 =                      |                  |  |
|                                                                               |                   | /D \2_ /D \2                                                    |                                       | Choose formula 1 or a                                                                                                      | LOG of                         |                       | Backpressure Curve                                          |                                                      | ,                                                           |              |                           | Open Flow                            |                  |  |
| $(P_c)^2 - (P_a)^2$<br>or<br>$(P_c)^2 - (P_c)^2$                              |                   | (P <sub>c</sub> ) <sup>2</sup> - (P <sub>w</sub> ) <sup>2</sup> |                                       | 1. P <sub>c</sub> <sup>2</sup> -P <sub>s</sub> <sup>2</sup><br>2. P <sub>c</sub> <sup>2</sup> -P <sub>d</sub> <sup>2</sup> | formula (                      |                       | Slope =                                                     |                                                      | n x L                                                       | .og          | Antilog                   | Deliverability<br>Equals R x Antilog |                  |  |
| (P <sub>c</sub> )²- (F                                                        | 2 <sub>d</sub> )2 |                                                                 |                                       | divided by: $P_c^2 - P_w$                                                                                                  | and divida<br>by:              | P.2-P.2               |                                                             | ssigned<br>lard Slope                                |                                                             |              |                           |                                      | Mcfd)            |  |
|                                                                               |                   |                                                                 |                                       |                                                                                                                            |                                |                       |                                                             |                                                      |                                                             |              |                           |                                      |                  |  |
|                                                                               |                   |                                                                 |                                       |                                                                                                                            |                                |                       |                                                             |                                                      |                                                             |              |                           |                                      |                  |  |
| Open Flo                                                                      | N                 |                                                                 |                                       | Mcfd @ 14                                                                                                                  | .65 psia                       |                       | Deliverat                                                   | oility                                               |                                                             | <u></u>      | //d @ 14.65 psi           | а                                    |                  |  |
| The ı                                                                         | unders            | igned                                                           | d authority, o                        | n behalf of the                                                                                                            | Company,                       | states that           | he is duly a                                                | uthorized t<br>3                                     | o make th                                                   |              | t and that he ha<br>EMBER | s knowl                              | ledge of         |  |
| the facts s                                                                   | tated t           | herei                                                           | n, and that sa                        | iid report is tru                                                                                                          | e and correc                   | _                     |                                                             |                                                      | day of                                                      | <i>D</i> LO  |                           | , 2                                  | <u>.</u> 0 .     |  |
| ···                                                                           |                   |                                                                 | Witness (i                            | f anv)                                                                                                                     | KA                             |                       | eceived<br>Oration comm                                     | AISSION                                              |                                                             | For C        | отралу                    |                                      |                  |  |
|                                                                               |                   |                                                                 | · · · · · · · · · · · · · · · · · · · |                                                                                                                            |                                | ner                   | 1 0 2015                                                    | <u>.                                    </u>         |                                                             |              |                           |                                      |                  |  |
|                                                                               |                   |                                                                 | For Comm                              | Ission                                                                                                                     | -                              | DEC                   | 1 0 2013                                                    | ,                                                    |                                                             | Check        | ked 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 <u>Foundation Energy Management, LLC</u>                                                                                                                                                                                                                                              |
| 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 theZWEYGARDT 1-32                                           |
| gas well on the grounds that said well:                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 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: 12/7/2015                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| $\sqrt{2}$                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Signature: Laur Olh                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## 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.