KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test | : | | | | (| See Instru | ictions o | n Rev | erse Side |)) | | | | | |
|---|--------------|--|--|--|------------------------------------|---|---|--|--|--|-----------------------------|-----------------------------|--|---|--|
| Open Flow Deliverabilty | | | | | Test Date |): | | API No. 15 15-023-20970-00-00 | | | | | | | |
| Company FOUNDATION ENERGY MANAGEMENT, I | | | | LLC | | Lease ZIMBELMAN | | | | Well Number 12-31 | | | | | |
| County Location CHEYENNE S2-NW-SW-NW | | | | Section 31 | TWF 3S | | | RNG (E/ 41W | W) | | Acres Attributed | | | | |
| Field CHERRY CREEK | | | | Reservoir NIOBRA | | | | Gas Gati SOUTH | | DER MORGAN | | | | | |
| Completic 3/13/200 | | е | | | Plug Bac' 1694' | k T otal De | pth | | | Packer S | et at | | | | |
| Casing Size Weight 7", 4½" 17#, 1 | | | | Internal Dia 1.6# 6.538", 4. | | | | | Perforations 1506' | | то 1544' | | | | |
| Tubing Size Weight 2-3/8"" 4.7# | | | | | Internal Diameter 1.995" | | | Set at 1573 | : | Perfo | rations | То | То | | |
| Type Completion (Describe) SINGLE (GAS) | | | | Type Flui | on | Pump U | | | it or Traveling | | es / No | | | | |
| Producing Thru (Annulus / Tubing) ANNULUS | | | % Carbon Dioxide | | | | | % Nitrog | Gas Gı | Gas Gravity - G | | | | | |
| Vertical D | | 1) | | | | Pre | essure Ta | ıps | | | | (Meter | Run) (F | rover) Size | |
| Pressure | Buildu | p: : | Shut in | 10 2 | 0 15 at 1 | 0:30 PM | (AM) (| (PM) | Taken | | 20 | at | | (AM) (PM) | |
| Well on Line: Started 12/11 | | | | | 20 15 at 10:30 PM (A | | | (I) (PM) Taken | | | 20 | at | at (AM) (PM) | | |
| | | | | | | OBSERV | ED SUR | FACE | DATA | | | Duration of Shut | in_24 | Hours | |
| Static / Dynamic Property | Dynamic Size | | Circle ane: Meter Prover Pressi psig (Pm) | Pressure Differential in Inches H ₂ 0 | Flowing Temperature t | Well Head Temperatur t | re (P _w | Casing Wellhead Pressure (P_w) or (P_l) or (P_c) psig psia | | Tubing Wellhead Pressure (P _w) or (P ₁) or (P _e) psig psia | | Duration (Hours) | , | | |
| Shut-In | | | , Para (1.1.7) | | <u> </u> | | psig | | 115 | parg | рыа | | | - | |
| Flow | | | | | | | | | | | | | | | |
| | | | | T | | FLOW ST | REAM A | ATTRII | BUTES | | <u>-</u> | | | | |
| Plate Coeffiecient (F _b) (F _p) Mofd | | Pro | Circle one: Meter or over Pressure psia | Press Extension √ P _m x h | Grav Fact F _g | or | Flowing Temperature Factor F _{II} | | Deviation Factor F _{pv} | | Metered Flow R (Mcfd) | GÖR (Cubic Fe Barrel) | | Flowing Fluid Gravity G _m | |
| | | | | | | | | | | | | <u> </u> | | | |
| (P _c) ² = | | _: | (P)² = | : | (OPEN FLO | | IVERABI _% | - | CALCUL - 14.4) + | | : | (P _a) | ² = 0.2 | 207 | |
| $(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$ | |) ² (P _o) ² - (P _w) ² | | Choose formula 1 or 2 1. $P_a^2 - P_a^2$ 2. $P_c^2 - P_d^2$ divided by: $P_c^2 - P_w^2$ | LOG of formula 1. or 2. and divide | LOG of formula 1. or 2. and divide P2. P2 | | Backpressure Curve Slope = "n" | | n x LOG | | Antilog | Open Flow Deliverability Equals R x Antilog (Mcfd) | | |
| | | | • | | | | | | | | | | | | |
| Open Flor | - | | | Mcfd @ 14 | 65 psia | | Deli | verabil | lity | _ | 1 | Mcfd @ 14.65 ps | ia | | |
| | | - | • | n behalf of the | | | | - | | | | rt and that he ha | | vledge of 20 <u>15</u> . | |
| | | | Witness (| | | | ceived | | | | | ompany | | | |
| | | | For Comp | | | DEC | _ | | | | | ked by | | | |
| | | | For Comi | nosion | | טבני. | 4 Zl | UL | | | Onec | | | | |

| 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 ZIMBELMAN 12-31 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: 12/16/2015 |
| Signature: |
| Title: HSE/Regulatory Tech |
| |

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.