

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5. Lease Serial No.  
COC56873

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
BANTA RIDGE FEDERAL 4A-18-1-103

9. API Well No.

10. Field and Pool, or Exploratory  
BANTA RIDGE

11. Sec., T., R., M., or Blk. and Survey or Area  
Sec 18 T1S R103W Mer 6PM

12. County or Parish  
RIO BLANCO COUN

13. State  
CO

17. Spacing Unit dedicated to this well  
640.00

20. BLM/BIA Bond No. on file  
B003173

23. Estimated duration  
20 DAYS

1a. Type of Work:  DRILL  REENTER

1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

**CONFIDENTIAL**

2. Name of Operator  
FOUNDATION ENERGY MANAGEMENT  
Contact: LISA SMITH  
lspemritco@aol.com

3a. Address  
321 SOUTH BOSTON SUITE 950  
TULSA, OK 74103

3b. Phone No. (include area code)  
Ph: 303-857-9999  
Fx: 303-450-9200

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface SWSW Lot 4 1226FSL 633FWL 39.957314 N Lat, 109.005422 W Lon  
At proposed prod. zone SWSW Lot 4 607FSL 650FWL 39.955617 N Lat, 109.005358 W Lon

14. Distance in miles and direction from nearest town or post office\*  
18.8 MILES FROM RANGELY, CO

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
633' FROM SURFACE

16. No. of Acres in Lease  
1596.90

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.  
APPROX. 620'

19. Proposed Depth  
4665 MD  
4600 TVD

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
6054 GL

22. Approximate date work will start  
08/01/2011

**24. Attachments**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |  |
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| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification</li> <li>6. Such other site specific information and/or plans as may be required by the authorized officer.</li> </ul> |
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25. Signature (Electronic Submission)	Name (Printed/Typed) RICK PAYNE Ph: 918-585-1650	Date 06/16/2011
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Title  
VP OPERATIONS

Approved by (Signature)	Name (Printed/Typed)	Date
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Title	Office
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Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Additional Operator Remarks (see next page)**

**Electronic Submission #110790 verified by the BLM Well Information System  
For FOUNDATION ENERGY MANAGEMENT, sent to the Meeker**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional Operator Remarks:**

Surface Ownership: Bureau of Land Management

**Lease Information**

COC56873 Total Acres: 1596.93

T1S-R103W

Sec. 5: S2N2, SW, Lots 13-15

Sec. 6: S2NE, SE

Sec. 7: E2, E2W2, Lots 1-4

Sec. 18: E2W2, Lots 1-4