



### SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

RECEIVED

APR 16 2012

COGCC

1. OGCC Operator Number: 10112	4. Contact Name: Rachel Eisterhold	Complete the Attachment Checklist OP OGCC
2. Name of Operator: Foundation Energy Management, LLC	Phone: (918) 585-1650 x 212	
3. Address: 16000 Dallas Parkway, Suite 875 City: Dallas State: TX Zip: 75248	Fax: (918) 585-1660	
5. API Number 05- Multiple- see attachment	OGCC Facility ID Number	Survey Plat
6. Well/Facility Name:	7. Well/Facility Number	Directional Survey
8. Location (Qtr/Qtr, Sec, Twp, Rng, Meridian):		Surface Eqpm Diagram
9. County: Yuma	10. Field Name: Bonny	Technical Info Page
11. Federal, Indian or State Lease Number:		Other

### General Notice

<input type="checkbox"/> CHANGE OF LOCATION: Attach New Survey Plat (a change of surface qtr/qtr is substantive and requires a new permit)					
Change of Surface Footage from Exterior Section Lines:	<table border="1"><tr><td>FNL/FSL</td><td>FEL/FWL</td></tr><tr><td></td><td></td></tr></table>	FNL/FSL	FEL/FWL		
FNL/FSL	FEL/FWL				
Change of Surface Footage to Exterior Section Lines:	<table border="1"><tr><td>FNL/FSL</td><td>FEL/FWL</td></tr><tr><td></td><td></td></tr></table>	FNL/FSL	FEL/FWL		
FNL/FSL	FEL/FWL				
Change of Bottomhole Footage from Exterior Section Lines:	<table border="1"><tr><td>FNL/FSL</td><td>FEL/FWL</td></tr><tr><td></td><td></td></tr></table>	FNL/FSL	FEL/FWL		
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FNL/FSL	FEL/FWL				
Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer					
Latitude	Distance to nearest property line				
Longitude	Distance to nearest bldg, public rd, utility or RR				
Ground Elevation	Distance to nearest lease line				
	Is location in a High Density Area (rule 603b)? Yes/No				
	Distance to nearest well same formation				
	Surface owner consultation date:				
GPS DATA:					
Date of Measurement	PDOP Reading				
Instrument Operator's Name					
<input type="checkbox"/> CHANGE SPACING UNIT	<input type="checkbox"/> Remove from surface bond				
Formation	Signed surface use agreement attached				
Formation Code					
Spacing order number					
Unit Acreage					
Unit configuration					
<input type="checkbox"/> CHANGE OF OPERATOR (prior to drilling):	<input type="checkbox"/> CHANGE WELL NAME				
Effective Date:	From:				
Plugging Bond: <input type="checkbox"/> Blanket <input type="checkbox"/> Individual	To:				
	Effective Date:				
<input type="checkbox"/> ABANDONED LOCATION:	<input type="checkbox"/> NOTICE OF CONTINUED SHUT IN STATUS				
Was location ever built? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date well shut in or temporarily abandoned:				
Is site ready for inspection? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has Production Equipment been removed from site? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Date Ready for Inspection:	MIT required if shut in longer than two years. Date of last MIT				
<input type="checkbox"/> SPUD DATE:	<input type="checkbox"/> REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)				
<input type="checkbox"/> SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK					
*submit cbl and cement job summaries					
Method used	Cementing tool setting/perf depth				
Cement volume	Cement top				
Cement bottom	Date				
<input type="checkbox"/> RECLAMATION: Attach technical page describing final reclamation procedures per Rule 1004.					
Final reclamation will commence on approximately					
<input type="checkbox"/> Final reclamation is completed and site is ready for inspection.					

### Technical Engineering/Environmental Notice

<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Report of Work Done	
Approximate Start Date:	Date Work Completed:	
Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)		
<input type="checkbox"/> Intent to Recomplete (submit form 2)	<input type="checkbox"/> Request to Vent or Flare	<input type="checkbox"/> E&P Waste Disposal
<input type="checkbox"/> Change Drilling Plans	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Gross Interval Changed?	<input type="checkbox"/> Rule 502 variance requested	<input type="checkbox"/> Status Update/Change of Remediation Plans
<input type="checkbox"/> Casing/Cementing Program Change	<input checked="" type="checkbox"/> Other: Response to inspection report	for Spills and Releases

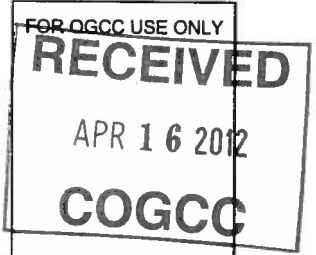
I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: Rachel Eisterhold Date: 4/11/12 Email: reisterhold@foundationenergy.com  
Print Name: Rachel Eisterhold Title: HSE/Regulatory Compliance Tech

COGCC Approved: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

DENIED Please fax  
cover for additional  
information.

TECHNICAL INFORMATION PAGE



1. OGCC Operator Number: 10112	API Number: Multiple- see below
2. Name of Operator: Foundation Energy Management, LL	OGCC Facility ID #
3. Well/Facility Name:	Well/Facility Number:
4. Location (QtrQtr, Sec, Twp, Rng, Meridian): Yuma County	

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. DESCRIBE PROPOSED OR COMPLETED OPERATIONS

Foundation Energy Management (Foundation) recently acquired assets in Bonny Field, Yuma County. Immediately after the sale, Foundation received the results of January inspections in the field with the deadline of April 30, 2012 for completion of corrective action.

The following locations were listed as having erosion on the wellpad and/or lease road:

Wiley 42-14443 125-08832  
Cure 11-33 125-07884  
Cure 21-33 125-08153  
Cure 22-33 125-07785  
Cure 31-33R 125-08141  
Cure Fed 32-33443 125-08388  
Shandy 41-11543 125-08718  
Devlin 41-5 125-07112  
Cure Fed 12-34443 ?  
Cure 14-34 125-07682  
Cure 44-32 125-07681  
Devlin 12-4 125-06660  
Cure 13-4 125-07751  
Cure 42-5 125-07446  
Cure 23-4543 125-08664  
Cure 34B-33443 ?  
Cure 44-33 125-08118  
Cure Fed 33-33443 125-08407  
Cure 23-33 125-08047  
Ebeler/Peterson 13-5 125-07580  
Cure 31-5 125-07577  
Moellenberg 43-5 125-06987  
Ebeler/Peterson 24-5 125-07576  
Ebeler/Peterson 21-8 125-07181  
Ebeler/Peterson 14-5 125-06663  
Moellenberg 41-7543 125-08413  
Moellenberg 43-6 125-07114  
Moellenberg 1-6 125-06457  
Devlin 32-32 125-06661  
Devlin 34-32 125-06716  
Ebeler 13-32443 125-08671  
Peters & Sons 31-24443 125-08679

Since these are recently acquired locations, Foundation requests an extension through the summer of 2012 to evaluate the issues noted in the January 2012 inspections, determine whether they are applicable to the oil and gas operations and take corrective actions for the rest.



DEPARTMENT OF NATURAL RESOURCES  
John Hickenlooper, Governor  
1120 Lincoln St. Suite 801  
Denver, CO 80203  
Phone: (303) 894-2100  
FAX: (303) 894-2109  
www.cogcc.state.co.us

# Fax

**To:** RACHEL EISTERHOLD

**From:** Margaret Ash 

**Fax:** (918) 585-1660

**Pages:** 3 (With Cover)

**Phone:**

**Date:** 06/12/2012

**Re:** Form 4: Response to inspection report

**CC:** Jim Precup

☒ **Urgent**    ☒ **For Review**    ☐ **Please Comment**    ☐ **Please Reply**    ☐ **Please Recycle**

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● **Comments:**

The Form 4 submitted April 16, 2012 requesting that Foundation Energy Management, LLC (Foundation) have through the summer of 2012 to evaluate the issues (as noted on field inspections conducted in January, 2012) and determine whether they are applicable to oil and gas operations is denied.

1. The site inspection forms including the required corrective actions and deadlines were available for review on the COGCC website prior to Foundation's purchase of the assets. Therefore, the recent purchase provides no justification for an extension.
  2. Issues noted during a COGCC field inspection are oil and gas related. Foundation's contention that they will review and determine if the issues are oil and gas related is unacceptable. If Foundation disagrees with COGCC staff the proper procedure would be to come before the Commission and make an official protest. This argument would need to be done on a site by site basis and cannot be handled by a single Form 4 covering 32 well locations. COGCC Hearings and Enforcement staff can provide information to Foundation on what data would be required and what the process would involve.
  3. The COGCC is willing to extend the corrective action date to August 20, 2012. However, for this extension to be granted Foundation must:
    - a. Agree to complete all corrective actions listed on the site inspection reports by August 20, 2012 or come before the commission at the July 9, 2012 Hearing to provide detailed information and data explaining why the issue are not oil and gas related.
    - b. Submit a Form 4 for each well site with a description of the work that will be conducted with statement that work will be completed by August 20, 2012.
  4. The COGCC will re-inspect the sites starting August 21, 2012. If corrective actions have not been conducted Notices of Alleged Violations will be issued.
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