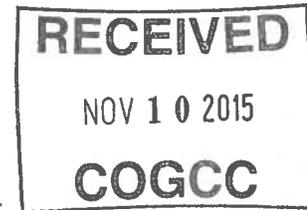




United States Department of the Interior

BUREAU OF LAND MANAGEMENT
White River Field Office
220 East Market Street
Meeker, CO 81641



In Reply Refer To:
3160 (LLCON05000)
COC47674F, COC19342, COC10179, COC17010

OCT 22 2015

Certified Mail - Return Receipt Requested
9171 9690 0935 0105 7023 63

Foundation Energy Management, LLC
Mr. Rick Payne
16000 Dallas Parkway, Suite 875
Dallas, TX 75248

NOTICE OF ORDERS OF THE BLM AUTHORIZED OFFICER

Dear Mr. Payne:

The White River Field Office recently conducted a review of idle wells within the field office area. According to the Energy Policy Act of 2005, the wells listed below are considered idle.

Problem #	Lease	Agreement	API#	Well Name	Well #	Last Oil/Gas Produced
01CW16WOME	COC9493	COC47674F	05-103-09074	Rangely South Fed	7-4-1-102	04/2006
02CW16WOME	COC19342		05-103-08452	Thunder Federal	13-9-4S-102W	01/2008
03CW16WOME	COC10179		05-103-10456	Columbine SP Fed	16C-11-4-104	04/2008
04CW16WOME	COC17010		05-103-08114	Taiga Fed	11F-22-4-102	07/2008

- Corrective Action:** Foundation Energy Management, LLC. must complete one of the following options:
- Return these wells to production and notify the BLM by sundry (Form 3160-5).
 - Conduct a 48 hour flow test for each well to prove they are capable of producing in paying quantities and submit a sundry with results along with a timeline/plan to return the wells to production. If any well is not capable of producing in paying quantities, the well must be plugged.
 - Submit a Notice of Intent sundry with procedure to permanently plug the well.

In accordance with 43 CFR 3163.1(a), you must comply with the corrective action stated above no later than January 1, 2015. If you fail to comply within the time frame specified, you will be subject to further enforcement action as may be deemed necessary.

WARNING

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above.

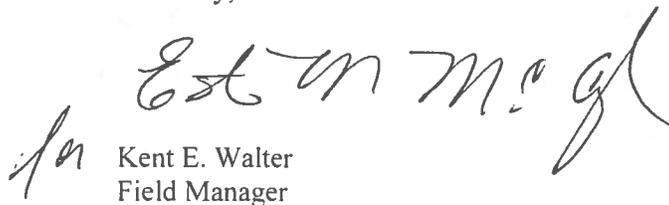
Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains or submits false, inaccurate or misleading reports, notices, affidavits, records, data or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3156.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

If you have questions regarding this notice, please contact Craig Williamson at 970-878-3814.

Sincerely,


for Kent E. Walter
Field Manager

cc: Well files