

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
6/01/10

API No. 15
023-21216-00-00

Company Priority Oil & Gas LLC		Lease DeGood		Well Number 3-33	
County Cheyenne	Location NW NE NE	Section 33	TWP 4S	RNG (EW) 40	Acres Attributed
Field Cherry Creek		Reservoir Beecher Island		Gas Gathering Connection Kinder Morgan	
Completion Date 03/19/10		Plug Back Total Depth 1471		Packer Set at	
Casing Size 4.5 in	Weight 10.5 #	Internal Diameter 4.50"	Set at 1473KB	Perforations 1312	To 1349
Tubing Size N/A	Weight	Internal Diameter	Set at	Perforations	To
Type Completion (Describe) co2 frac		Type Fluid Production none		Pump Unit or Traveling Plunger? Yes / No	
Producing Thru (Annulus / Tubing) casing		% Carbon Dioxide		% Nitrogen	
Vertical Depth(H)		Pressure Taps		(Meter Run) (Prover) Size	
Pressure Buildup: Shut in 06/01 20 10 at 9:05 (AM) (PM) Taken		20		at (AM) (PM)	
Well on Line: Started 06/02 20 10 at 9:17 (AM) (PM) Taken		20		at (AM) (PM)	

OBSERVED SURFACE DATA

Duration of Shut-in **24** Hours

Static / Dynamic Property	Orifice Size (inches)	Circle one: Meter Prover Pressure psig (Pm)	Pressure Differential in Inches H ₂ O	Flowing Temperature t	Well Head Temperature t	Casing Wellhead Pressure (P _w) or (P ₁) or (P _c)		Tubing Wellhead Pressure (P _w) or (P ₁) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In											
Flow	.375					231	245.4				

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _b) (F _p) Mcfd	Circle one: Meter or Prover Pressure psia	Press Extension $\sqrt{P_m \times h}$	Gravity Factor F _g	Flowing Temperature Factor F _t	Deviation Factor F _{pv}	Metered Flow R (Mcf/d)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_a)² = 0.207
(P_d)² = _____

(P_c)² = _____ : (P_w)² = _____ : P_d = _____ % (P_c - 14.4) + 14.4 = _____ :

(P _c) ² - (P _a) ² or (P _c) ² - (P _d) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c 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 by: $\frac{P_c^2 - P_w^2}{P_c^2 - P_a^2}$	Backpressure Curve Slope = "n" ----- or ----- Assigned Standard Slope	n x LOG []	Antilog	Open Flow Deliverability Equals R x Antilog (Mcf/d)

Open Flow

Mcf/d @ 14.65 psia

Deliverability

Mcf/d @ 14.65 psia

The undersigned authority, on behalf of the Company, states that he is duly authorized to make the above report and that he has knowledge of the facts stated therein, and that said report is true and correct. Executed this the 22nd day of September, 20 10

Witness (if any)

For Commission

Melissa A. Gray
For Company

Checked by

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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 Priority Oil & Gas 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.

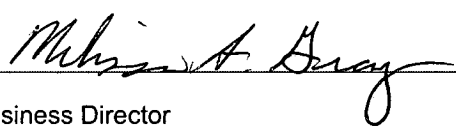
I hereby request a one-year exemption from open flow testing for the DeGood 3-33 gas well on the grounds that said well:

(Check one)

- 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: 9/22/10

Signature: 
Title: Business Director

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.

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EFM Report: A1G2 - Dent

Uploaded: 06/02/2010 15:43:40 Operator: LOI

EFM Report Information

Report Data File C:\Documents and Settings\Kevin Andrews\Desktop\Dent Wells May '10\3-33 Degood May '10\A1G2.efm
 Report Period 04/30/2010 to 05/30/2010 Run Selected Meter #1
 Meter Description 3-33 DeGood Meter Tag K0418-03
 Report Date 06/16/2010 10:29:56 Contract Hour 8

Daily Volume Report

Date/Time	Flow Minutes	Avg (hw) In H2O	Avg (Pf) PSI	Avg (Tf) DEG F	Multiplier Value	Pressure Extension	Volume Accum MCF	Energy Accum MMBTU
05/01/2010 08:00	1440.00	15.0387	88.020	51.4119	55.6952	38.5058	51.4385	50.5692
05/02/2010 08:00	1440.00	19.0474	76.899	53.6300	55.1395	41.3693	54.7483	53.8231
05/03/2010 08:00	1440.00	19.5616	74.553	53.8021	55.0330	41.3733	54.6459	53.7224
05/04/2010 08:00	1440.00	17.4336	81.953	59.3251	55.3796	40.6452	54.0213	53.1083
05/05/2010 08:00	1440.00	17.0750	82.805	62.0354	55.4205	40.4322	53.7785	52.8697
05/06/2010 08:00	1440.00	14.8264	88.686	59.3597	55.7232	38.4956	51.4581	50.5885
05/07/2010 08:00	1440.00	16.8842	82.440	56.1604	55.4063	40.1311	53.3632	52.4613
05/08/2010 08:00	1440.00	17.0707	80.953	51.3968	55.3377	40.0372	53.1749	52.2762
05/09/2010 08:00	1440.00	16.5804	83.695	54.3394	55.4688	39.9378	53.1611	52.2627
05/10/2010 08:00	1440.00	16.0176	85.604	59.3493	55.5638	39.5589	52.7436	51.8522
05/11/2010 08:00	1440.00	17.2122	81.788	53.1336	55.3735	40.3829	53.6657	52.7588
05/12/2010 08:00	1440.00	17.0524	82.339	51.1133	55.3998	40.3129	53.5980	52.6922
05/13/2010 08:00	1440.00	15.5777	81.978	45.2950	55.3989	38.4520	51.1249	50.2608
05/14/2010 08:00	1440.00	13.2774	81.889	53.7024	55.4207	35.4629	47.1692	46.3720
05/15/2010 08:00	1440.00	12.5318	83.379	57.2482	55.4959	34.7453	46.2745	45.4925
05/16/2010 08:00	1440.00	12.5367	83.305	52.6257	55.4923	34.7387	46.2660	45.4841
05/17/2010 08:00	1440.00	12.2181	84.506	54.0712	55.5502	34.5088	46.0059	45.2284
05/18/2010 08:00	1440.00	12.7694	82.890	60.7904	55.4712	34.9832	46.5732	45.7861
05/19/2010 08:00	1440.00	13.5348	79.728	58.8612	55.3222	35.4171	47.0235	46.2288
05/20/2010 08:00	1440.00	13.6475	79.006	55.0937	55.2893	35.4273	47.0099	46.2154
05/21/2010 08:00	1440.00	14.1021	77.054	56.2105	55.1995	35.6265	47.1963	46.3987
05/22/2010 08:00	1440.00	13.6645	80.118	66.5765	55.3383	35.6523	47.3488	46.5486
05/23/2010 08:00	1440.00	7.5217	100.677	79.3642	56.4416	27.5369	37.1872	36.5588
05/24/2010 08:00	1440.00	6.8536	103.006	72.3655	56.5312	27.7885	37.6723	37.0356
05/25/2010 08:00	1440.00	6.8758	102.346	63.7335	56.4980	27.6883	37.5116	36.8777
05/26/2010 08:00	1440.00	12.8496	81.795	60.4452	55.4253	34.7691	46.2458	45.4642
05/27/2010 08:00	1440.00	13.8716	78.749	65.9843	55.2786	35.5785	47.1986	46.4009
05/28/2010 08:00	1440.00	25.6281	83.878	73.3384	55.3927	49.7192	66.1037	64.9866
05/29/2010 08:00	1440.00	25.5156	85.925	75.0377	55.4861	50.2302	66.8890	65.7585
05/30/2010 08:00	1440.00	17.8335	96.979	63.2620	56.0985	43.6655	58.7418	57.7491
05/31/2010 08:00	1440.00	24.7963	85.533	64.9717	55.4741	49.4066	65.7801	64.6684
Total	44640.00						1575.1194	1548.4998

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EFM Report: A1G2 - Dent

Uploaded: 07/02/2010 15:11:56 Operator: LOI

EFM Report Information

Report Data File C:\Documents and Settings\Kevin Andrews\My Documents\Priority Oil & Gas\POG 2010 EFM
 Production\POG June '10 EFM Production\Dent Wells June '10\3-33 Degood June '10\A1G2.efm

Report Period 05/31/2010 to 06/29/2010 Run Selected Meter #1
 Meter Description 3-33 DeGood Meter Tag K0418-01
 Report Date 08/20/2010 13:26:27 Contract Hour 8

Daily Volume Report

Date/Time	Flow Minutes	Avg (hw) In H2O	Avg (Pf) PSI	Avg (Tf) DEG F	Multiplier Value	Pressure Extension	Volume Accum MCF	Energy Accum MMBTU
06/01/2010 08:00	65.38	24.5770	85.028	73.0261	55.4500	49.0613	2.9661	2.9160
06/02/2010 08:00	0.00	0.0000	84.114	74.2538	0.0000	0.0000	0.0000	0.0000
06/03/2010 08:00	0.00	0.0000	79.396	67.8642	0.0000	0.0000	0.0000	0.0000
06/04/2010 08:00	1090.03	37.2063	80.570	74.1726	55.1439	58.9884	59.0967	58.0980
06/05/2010 08:00	1440.00	34.9938	83.910	78.7584	55.3161	58.1883	77.2479	75.9424
06/06/2010 08:00	1440.00	33.3926	84.811	75.3633	55.3701	57.1373	75.9291	74.6459
06/07/2010 08:00	1440.00	33.4025	84.580	72.2907	55.3593	57.0775	75.8358	74.5541
06/08/2010 08:00	1440.00	33.4402	84.464	73.3874	55.3536	57.0762	75.8255	74.5440
06/09/2010 08:00	1440.00	33.1265	84.307	71.5913	55.3487	56.7633	75.4011	74.1268
06/10/2010 08:00	1440.00	33.5649	84.258	72.5641	55.3430	57.1234	75.8724	74.5901
06/11/2010 08:00	1337.47	17.3305	103.285	77.8305	56.5071	40.1630	50.2910	49.4411
06/12/2010 08:00	1440.00	16.2973	104.202	70.9492	56.4817	42.9808	58.2137	57.2299
06/13/2010 08:00	1440.00	30.6350	86.213	60.5093	55.4586	55.0532	73.2738	72.0355
06/14/2010 08:00	1440.00	33.5987	82.364	58.6189	55.2551	56.5919	75.0466	73.7783
06/15/2010 08:00	1440.00	35.1332	80.695	64.0278	55.1662	57.3589	75.9436	74.6602
06/16/2010 08:00	1440.00	36.4264	80.271	73.6366	55.1363	58.2766	77.1145	75.8113
06/17/2010 08:00	1440.00	33.6278	85.114	79.4167	55.3829	57.4075	76.3042	75.0146
06/18/2010 08:00	1440.00	32.4680	85.525	75.0985	55.4109	56.5461	75.1984	73.9275
06/19/2010 08:00	1440.00	28.2681	90.566	76.4305	55.6859	53.9295	72.0613	70.8435
06/20/2010 08:00	1440.00	26.8372	92.873	76.7240	55.8069	53.2933	71.3800	70.1737
06/21/2010 08:00	1440.00	26.3336	92.877	72.0818	55.8154	52.5582	70.3881	69.1986
06/22/2010 08:00	1440.00	31.4812	86.808	74.9255	55.4792	56.0375	74.6146	73.3537
06/23/2010 08:00	1440.00	32.5564	85.680	75.7152	55.4174	56.6671	75.3695	74.0957
06/24/2010 08:00	1440.00	32.1890	85.383	71.9612	55.4064	56.2610	74.8141	73.5498
06/25/2010 08:00	1440.00	32.2656	85.685	76.9762	55.4199	56.4182	75.0377	73.7695
06/26/2010 08:00	1440.00	29.3727	89.294	80.9050	55.6157	54.7046	73.0122	71.7783
06/27/2010 08:00	1440.00	32.5932	85.278	67.8814	55.3984	56.5825	75.2328	73.9614
06/28/2010 08:00	1440.00	33.0439	84.273	70.3919	55.3478	56.6804	75.2921	74.0197
06/29/2010 08:00	1440.00	33.8041	83.901	79.6154	55.3245	57.2185	75.9752	74.6912
06/30/2010 08:00	1440.00	34.0234	83.585	81.5406	55.3081	57.3117	76.0754	74.7897
Total	38492.88						1968.8134	1935.5405

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EFM Report: A1G2 - Dent

Uploaded: 08/04/2010 11:14:50 Operator: LOI

EFM Report Information

Report Data File C:\Documents and Settings\Kevin Andrews\Desktop\POG July '10 Production\Dent Well Production July '10\3-33 DeGood July '10\Dent_A1G2_2010-08-04.efm

Report Period 06/30/2010 to 07/30/2010 Run Selected Meter #1
 Meter Description 3-33 DeGood Meter Tag K0418-01
 Report Date 09/19/2010 08:52:44 Contract Hour 8

Daily Volume Report

Date/Time	Flow Minutes	Avg (hw) In H2O	Avg (Pf) PSI	Avg (Tf) DEG F	Multiplier Value	Pressure Extension	Volume Accum MCF	Energy Accum MMBTU
07/01/2010 08:00	1440.00	34.0723	83.3093	80.40	55.2949	57.2703	76.0032	74.7187
07/02/2010 08:00	1440.00	34.2376	83.2134	80.51	55.2891	57.3823	76.1419	74.8551
07/03/2010 08:00	1440.00	34.3599	82.9694	79.04	55.2769	57.4108	76.1645	74.8774
07/04/2010 08:00	1440.00	34.6803	82.6801	81.72	55.2610	57.5899	76.3805	75.0897
07/05/2010 08:00	1440.00	33.8511	82.4527	58.70	55.2571	56.8317	75.3679	74.0942
07/06/2010 08:00	1440.00	34.1518	82.2456	73.40	55.2451	57.0205	75.6017	74.3241
07/07/2010 08:00	1440.00	34.3596	82.2531	76.36	55.2438	57.1950	75.8320	74.5505
07/08/2010 08:00	1440.00	35.0537	81.7620	66.52	55.2157	57.6187	76.3542	75.0638
07/09/2010 08:00	1440.00	35.2558	81.6916	66.47	55.2108	57.7650	76.5433	75.2498
07/10/2010 08:00	1440.00	35.4527	81.7217	71.11	55.2106	57.9360	76.7682	75.4708
07/11/2010 08:00	1440.00	35.6306	81.6281	66.60	55.2049	58.0544	76.9142	75.6143
07/12/2010 08:00	1440.00	35.8478	81.5501	80.89	55.1996	58.2050	77.1085	75.8054
07/13/2010 08:00	1440.00	35.9536	81.5062	82.62	55.1967	58.2781	77.2011	75.8964
07/14/2010 08:00	1440.00	34.9632	83.0785	85.34	55.2778	57.9283	76.8502	75.5514
07/15/2010 08:00	1440.00	30.5706	87.8462	83.02	55.5403	55.1754	73.5231	72.2805
07/16/2010 08:00	1440.00	33.9622	83.8489	78.02	55.3210	57.3237	76.1082	74.8220
07/17/2010 08:00	1385.28	25.8451	93.5500	86.25	55.8831	50.9120	65.5650	64.4570
07/18/2010 08:00	1440.00	27.8834	91.0640	70.23	55.7326	52.3387	69.8860	68.7049
07/19/2010 08:00	1440.00	34.2991	83.5506	82.04	55.3043	57.5334	76.3637	75.0731
07/20/2010 08:00	1440.00	34.5380	83.3239	83.42	55.2919	57.6652	76.5233	75.2300
07/21/2010 08:00	1440.00	34.1759	83.1462	73.10	55.2865	57.3092	76.0440	74.7589
07/22/2010 08:00	1440.00	34.2264	83.4743	76.43	55.3013	57.4498	76.2495	74.9609
07/23/2010 08:00	1440.00	34.2754	83.5585	80.07	55.3048	57.5156	76.3418	75.0516
07/24/2010 08:00	1440.00	34.3832	83.6474	83.14	55.3081	57.6344	76.5023	75.2094
07/25/2010 08:00	1440.00	33.9838	83.5418	76.83	55.3064	57.2674	76.0125	74.7278
07/26/2010 08:00	1440.00	34.1015	83.3833	70.74	55.2981	57.3180	76.0699	74.7843
07/27/2010 08:00	1440.00	34.2533	83.9323	80.47	55.3224	57.6095	76.4904	75.1977
07/28/2010 08:00	1440.00	34.5118	83.5187	84.12	55.3011	57.7034	76.5834	75.2892
07/29/2010 08:00	1440.00	32.3623	85.7237	70.99	55.4232	56.3684	74.9683	73.7013
07/30/2010 08:00	1440.00	34.5050	83.3853	67.22	55.2950	57.6574	76.5157	75.2225
07/31/2010 08:00	1440.00	35.2155	82.4183	70.74	55.2446	57.9538	76.8391	75.5405
Total	44585.28						2345.8176	2306.1732

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September 22, 2010

Jim Hemmen
Kansas State Corporation Commission
Finney State Office Building
130 S. Market Rm 2078
Wichita, KS 67202

RE: Resubmission of G-2 Forms with Production Data

Dear Mr. Hemmen,

Priority Oil & Gas LLC was denied Open Flow Testing Exemptions in July for the wells listed below because there was not enough production data accumulated to provide proof of the inability to produce less than 250 Mcf/day. Therefore we are now resubmitting the G-2 forms along with Electronic Flow Meter reports for each of the three wells for the production months of May 2010 through July 2010. These wells were brought online and began producing during the month of April 2010.

- DeGood 3-33
- DeGood 3-28
- DeGood 2-28

I have also made the appropriate corrections to the forms, as requested in your letter dated July 21st. I hope you find the information enclosed complete and to your satisfaction. Please let me know otherwise.

Thank you,

Melissa A. Gray
Business Director

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KCC WICHITA

Encl

P.O. Box 27798
Denver, CO 80227-0798 USA
303.296.3435
fax 303.296.3436
Email PriorityOG@aol.com