KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test: Open Flow Deliverabil	,					verse Side,					
Deliverabil							A DI A	lo 15			
Deliverabilty				Test Date: 8/25/09				API No. 15 023-20377-0000			
Company Priority Oil &	Gas LLC		0,20,00		Lease Schult	z			2-17	Vell Number	
County Cheyenne	nty Location				TWP 4S			V)	Acres Attributed		
Field Cherry Creek				Reservoir Beecher Island			Gas Gathering Connection Priority Oil & Gas LLC				
Completion Date 1/26/01				Plug Back Total Depth 1394			Packer Se	et at			
Casing Size	asing Size Weight			Internal Diameter 4.052		Set at 1450		ations	то 1292		
Tubing Size	-			Internal Diameter		Set at		ations	То		
Type Completion	(Describe)		Type Flui	d Production	on	****	Pump Unit	t of Traveling	Plunger? Yes	(No	
Producing Thru (% Carbon Dioxide			% Nitrogen 3.430		Gas Gravity - G ₉ .587				
casing Vertical Depth(H)		Pressure Taps					(Meter R	(Meter Run) (Prover) Size 2 in.			
Pressure Buildup	s: Shut in 8	/25	20 09 at 1	0:11	_ (AM) (PM)	Taken		20	at	(AM) (PM)	
Well on Line:	Started 4	/26	20 <u>09</u> at 1	:36	_ (AM) (PM)	Taken		20	at	(AM) (PM)	
				OBSERV	ED SURFAC	E DATA			Duration of Shut-i	n 27 Hours	
Static / Orifice		Differentia	Temperature	Well Head Temperature t	e Wellhead (P _w) or (F	Casing Wellhead Pressure $(P_w) \text{ or } (P_t) \text{ or } (P_c)$		bing d Pressure (P ₁) or (P _c)	Duration (Hours)	Liquid Produced (Barrels)	
Shut-In	psig (P	m) Inches H ₂			psig	psia	psig	psia			
Flow .500)				158	172.4					
				FLOW ST	REAM ATTR	IBUTES					
Plate Coefficcient (F _b) (F _p) Mcfd	Circle one: Meter or Prover Pressure psia Press Extension ✓ P _m x h		_ 'ac	tor	Tomporature		eviation Metered Flow Factor R F _{pv} (Mcfd)		GOR Flowin (Cubic Feet/ Gravit Barrel) G _m		
	· ·										
P _c) ² =	_: (P _w)	² = :	•	• •	VERABILITY _% (') CALCUL P _c - 14.4) +		·:	$ (P_a)^2 $ $ (P_d)^2 $	= 0.207	
$(P_c)^2 - (P_a)^2$ 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 $		or 2: LOG of formula 1. or 2. and divide	formula 1. or 2. and divide P 2 - P 2		Backpressure Curve Slope = "n" or Assigned Standard Slope		og [Antilog	Open Flow Deliverability Equals R x Antilog (Mcfd)	
0 51-		14-4-4-6	14 GE ====		Deliveral	nitity			Mcfd @ 14.65 psi		
Open Flow			14.65 psia			· · · · · · · · · · · · · · · · · · ·		***************************************			
The undersion the facts stated the	-					6th	day of	ecemb	rt and that he ha	s knowledge of	
						M	leles.	二人	Fred	RECE	
	Witne	ss (if any)						For C	Company 0		
										DEC 3	

exempt status un and that the fore correct to the bea of equipment ins I hereby requ	der penalty of perjury under the laws of the state of Kansas that I am authorized to request order Rule K.A.R. 82-3-304 on behalf of the operator Priority Oil & Gas LLC egoing pressure information and statements contained on this application form are true and st of my knowledge and belief based upon available production summaries and lease records stallation and/or upon type of completion or upon use being made of the gas well herein named. Luest a one-year exemption from open flow testing for the Schultz 2-17
gas well on the g	grounds that said well:
I further agre	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 ee to supply to the best of my ability any and all supporting documents deemed by Commission by to corroborate this claim for exemption from testing.
Date: 12/16/09	
	Signature: Mulin & Hung Title: Business Manager

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.

DEC 3 1 2009