

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
12/04/03

API No. 15
023-20390-0000

Company Priority Oil & Gas LLC		Lease Lauer Trust		Well Number 2-17	
County Cheyenne	Location SW SE NE	Section 17	TWP 4S	RNG (E/W) 40	Acres Attributed
Field Cherry Creek		Reservoir Beecher Island		Gas Gathering Connection Kinder Morgan	
Completion Date 02/16/01		Plug Back Total Depth 1375		Packer Set at	
Casing Size 4.5 in	Weight 10.5 #	Internal Diameter 4.052	Set at 1450	Perforations 1229	To 1266
Tubing Size	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		Gas Gravity - G _g .582 (Meter Run) (Prover) Size	
Pressure Buildup: Shut in 12/03 20 03 at 2:52 (AM) (PM) Taken _____ 20 _____ at _____ (AM) (PM)					
Well on Line: Started 12/04 20 03 at 3:17 (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 _i) or (P _c)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In											
Flow	.500					186	200.4				

FLOW STREAM ATTRIBUTES								
Plate Coefficient (F _v) (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 _{tt}	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS								(P _{at}) ² = 0.207
(P _c) ² = _____	(P _w) ² = _____	P _d = _____ %	(P _c - 14.4) + 14.4 = _____	(P _d) ² = _____				
(P _c) ² - (P _s) ² or (P _c) ² - (P _d) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _s 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: $P_c^2 - P_w^2$	Backpressure Curve Slope = "n" ----- or ----- Assigned Standard Slope	n x LOG	Antilog	Open Flow Deliverability Equals R x Antilog (Mcfd)	

Open Flow Mcfd @ 14.65 psia Deliverability Mcfd @ 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 28th day of April, 2004.

Witness (if any)

For Company

RECEIVED

MAY 03 2004

KCC WICHITA

Checked by

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 Lauer Trust 2-17 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: 04/28/04

Signature:  _____

Title: VP Operations

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.

PRECISION MEASUREMENT, INC.
P.O.Box 3659
745 North Circle Drive
Casper, WY. 82602

2/5/2002 4:55 PM
Phone: 307-237-9327
800-624-7260
Fax: 307-577-4139
E Mail: pmi@trib.com

GAS ANALYSIS REPORT

Analysis For: PRIORITY OIL & GAS
Field Name:
Well Name: 2-17 LAUER TRUST
Station Number:
Purpose:
Sample Deg. F: 33
Volume/Day:
Formation:
Line PSIG: 108
Line PSIA:

Run No: 5466-3
Date Run: 2/4/02
Date Sampled: 1/30/02
Producer:
County:
State:
Sampled By: KEVIN ANDREWS
Atmos Deg. F:
LOCATION : SEC. 17-4S-40W

GAS COMPONENTS

		MOL%	GPM
Carbon Dioxide	C02:	0.000	
Nitrogen	N2:	3.594	
Hydrogen Sulfide	H2s:	0.0000	
Methane	C1:	94.655	
Ethane	C2:	1.192	0.318
Propane	C3:	0.386	0.106
Iso-Butane	IC4:	0.060	0.020
Nor-Butane	NC4:	0.067	0.021
Iso-Pentane	IC5:	0.000	0.000
Nor-Pentane	NC5:	0.000	0.000
Hexane Plus	C6+:	0.046	0.020
Totals		100.000	0.485

Pressure Base: 14.730
Real BTU Dry: 997.501
Real BTU Wet: 980.144
Calc Ideal Gravity: 0.581
Calc. Real Gravity: 0.582
Field Gravity:
Standard Pressure: 14.696
BTU Dry: 995.212
BTU Wet: 977.895
Z Factor: 0.998
Avg Mol Weight: 16.838
Avg CuFt/Gal: 59.897
Ethane+ GPM: 0.485
Propane+ GPM: 0.167
Butane+ GPM: 0.061
Pentane+ GPM: 0.020

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FEB 23 2002
KCC WICHITA

Remarks:

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Analysis By: S.G. WALLACE
Approved By: