KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Test Date: Deliverable D	Type Tes	t:				(See Instruct	ions on Re	everse Side	·)					
Controllarity 12/11/04 Co23-20465-0000 Well Number Controllarity Chevenne E/2 NE SE NW 19	✓ Op	en Flov	v		Test Date						No. 15				
Priority Oil & Gas LLC MOM 3-19 Covery Location Cheyvenne E/2 NE SE NW 19 45 41 48 41 48 41 48 41 48 41 48 41 48 48	De	liverabi	lty									00		- Marian	
Cheyenne E/2 NE SE NW 19			Gas	LLC											
Cherry Creek Beecher Island Priority Of & Gas LLC MAY -0.5 - 2005		nne									(W)	KAN	Acres Attributed RECEIV		
1353 1353	Field Cherry Creek											ction LLC			
Casing Size			9				k Total Dept	h		Packer S	et at			•	
Tubing Size Weight Internal Diameter Set at Perforations To Type Fluid Production Pump Unit or Traveling Plunger? Yes / (%) Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / (%) Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / (%) Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / (%) Taken	Casing S						Internal Diameter								
Type Condition (Describe) Type Fluid Production None Pump Unit or Traveling Plunger? Yes / (No) Producing Thru (Annulus / Tubing) S, Carbon Dioxide S, Nitrogen Gas Gravity - G, Sobos Vertical Depth(H) Pressure Taps Well on Line: Started 12/11/04 20 at 12:07 (AM) (PM) Well on Line: Started 12/11/04 20 at 12:18 (AM) (PM) SSEEVED SURFACE DATA Ourstion of Shuhin Observed Pressure Proporty (Inches) Prover Pressure Proporty (Inches) Prover Pressure Proporty (Inches) Pressure Pressure Proporty (Inches) Pressure Pressure Proporty (Inches) Pressure		ze											1201		
Cocker Pressure			/5	26		T Fl.	J D d 46-			D 1 to	it an Taxable a	Diverse Ves	/ (1)	Administration of production and product	
Vertical Depth(H)		•	Desc	ribe)			a Production	1		•		_			
Vertical Depth(H) Pressure Buildup: Shut in 12/10/04 20 at 12:07 (AM) (FM) Taken 20 at (AM) (PM) Well on Line: Standed 12/11/04 20 at 12:18 (AM) (FM) Taken 20 at (AM) (PM) OBSERVED SURFACE DATA Ourtation of Shut-in 24 Hours State / Ourtage / Meter / Outline / Meter / Outline / Out		g Thru	(Annuli	us / Tubing)							•				
Pressure Buildup: Shut in 12/10/04 20 at 12:07 (AM) (PM) Taken 20 at (AM) (PM) Well on Line: Starled 12/11/04 20 at 12:18 (AM) (PM) Starled 12/11/04 20 at 12:18 (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 24 Hours Control of Shut-in 24		epth(H)												
State 12/11/04 20 at 12/18 (AM) (PM) Taken 20 at (AM) (PM)												2 in	•		
State / Orlice Meter (Inches) Property (Inches)	Pressure	Buildup	: Sh	ut in12/10				(AM) (PM)	Taken		20 _	at	(AN	1) (PM)	
State Orifice Orific	Well on L	ine:	Sta	irted 12/11	1/04 2	0 at	2:18	(AM) PM	Taken		20 _	at	(AN	1) (PM)	
State Orifice Orific							OBSERVE	D SURFAC	E DATA			Duration of Shut-	in 24	Hours	
Coper Flowing Country Factor	Static /	tic / Orific				Flowing	1	Wellhead Pressure (P_w) or (P_t) or (P_c)		Tubing Wellhead Pressure (P _w) or (P _t) or (P _c)					
Shut-In Flow .500 184 198.	I ' [Prover Pressu		in	· ·								i i	
FLOW STREAM ATTRIBUTES Plate Coefficient (F_{o}) (F_{o}) Meter of Prover Pressure psia (Part of Prover Pressure psia (OPEN FLOW) (DELIVERABILITY) CALCULATIONS (Part of Prover Pressure psia (Part of Prover Psia (Part of Prover Pressure Psia (Part of Prover Psia (Part of Prover Psia (Part of Psia	Shut-In			psig (Fili)	inches H ₂ O			psig	psia	psig	psia				
Plate Coefficient Meter or Prover Pressure psia (P _a) (F _a) (F _a) (McId) (P _a) (F _a) (P _a) (McId) (P _a) (P _a) (P _a) (McId) (P _a) (P _a) (McId)	Flow	.500)					184	198.4						
Coefficient (F _a) (F _b) Mold Coefficient (F _a) (F _b) P _{ax} h Factor F _{actor}							FLOW STR	EAM ATT	RIBUTES	·				4/18-7-4	
(P _c) ² = : (P _w) ² = : P _d = % (P _c - 14.4) + 14.4 = : (P _d) ² = (P _c) ² - (P _w) ² Choose formula for 2: 1. P _c ² - P _c ² LOG of formula for 2: 1. P _c ² - P _c ² LOG of formula for 2: 1. P _c ² - P _c ² P	Coeffiecient (F _b) (F _p)		Meter or Prover Pressure		Extension	tension Fac		tor Temperature Factor		Factor		(Cubic Fe	et/	Fluid Gravity	
(P _c) ² = : (P _w) ² = : P _d = % (P _c - 14.4) + 14.4 = : (P _d) ² = (P _c) ² - (P _w) ² Choose formula for 2: 1. P _c ² - P _c ² LOG of formula for 2: 1. P _c ² - P _c ² LOG of formula for 2: 1. P _c ² - P _c ² P											Manager Transport				
Choose formula 1 or 2: 1. P _c ² - P _a or (P _c) ² - (P _g) ² 2. P _c ² - P _a divided by: P _c	(D.)3			(D.)3		•	· · · ·		•						
Open Flow Mcfd @ 14.65 psia Deliverability 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 he facts stated therein, and that said report is true and correct. Executed this the Witness (if any) Note of the facts stated therein and that said report is true and correct. Executed this the Log of chorus in x Log and in x Log and a Log of slope = "n" and x Log and divide by: Pc² - Pw² and divide by:	(P _c)' =		<u>-</u> :		ose formula 1 or 2			1			1	(F _d)	Ĭ	-	
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 he facts stated therein, and that said report is true and correct. Executed this the	$(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$				2. P _c ² -P _d ²	tormula 1. or 2. and divide p 2_p 2		Slope = "n" or Assigned		n x 106		Antilog Delive Equals R		ability x Antilog	
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 he facts stated therein, and that said report is true and correct. Executed this the			***********		/ c 'w		tomu nami								
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 he facts stated therein, and that said report is true and correct. Executed this the															
he facts stated therein, and that said report is true and correct. Executed this the 11th day of February , 20 05. Witness (if any) For Company	Open Flo	N			Mcfd @ 14.	65 psia		Delivera	bility		N	lcfd @ 14.65 ps	ia		
Witness (if any) Kenin O Ancheus For Company	The	undersi	gned a	uthority, on b	ehalf of the	Company, s	states that h	e is duly a	uthorized to	o make th	e above report	and that he ha	ıs knowled	ge of	
Witness (if any) For Company	the facts s	tated th	erein, a	and that said	report is true	and correc	t. Executed	this the _1	l 1th	day of _F	ebruary		, 20	05	
Witness (if any) For Company									11.	225	12 /				
For Commission Checked by	***************************************			Witness (if an	у)				/\u	m		mpany	<u>~</u>		
				For Commission	on						Check	ed by			

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CONSERVATION DIVISION WICHITA, KS 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 <u>M.O.M</u> 3-19 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: 2/11/05 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.