

**KANSAS CORPORATION COMMISSION
ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST**

FORM G-2
(Rev.8/98)

TYPE TEST:

- Open Flow
 Deliverability

TEST DATE: 1-29-02

API No. 15-023-20376-0000

Company Priority Oil & Gas LLC		Lease Schultz			Well Number 1-17	
County Cheyenne		Location SWNWSE		Section TWP 17-4s-40w		Acres Attributed
Field Cherry Creek		Reservoir Niobrara		Gas Gathering Connection Kinder-Morgan		
Completion Date 4/18/01		Plug Back Total Depth 1332		Packer Set at		
Casing Size 4.500	Weight 10.500	Internal Diameter 4.052	Set at 1373	Perforations 1234	To 1269	
Tubing Size NONE	Weight	Internal Diameter	Set at	Perforations	To	
Type Completion (Describe)		Type Fluid Production		Pump Unit or Traveling Plunger? NO		
Producing Thru(Annulus/Tubing) Casing		% Carbon Dioxide .092		% Nitrogen 3.773		Gas Gravity- Gg .586
Vertical Depth (H) 1251		Pressure Taps Flange		Meter Run Size 2		
Pressure Buildup: Shut in		1-25-02 17:00		TAKEN	1-28-02 15:00	
Well on Line: Started		1-28-02 15:00		TAKEN	1-29-02 17:00	

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OBSERVED SURFACE DATA

Static/ Dynamic Property	Orifice Size in.	Meter Pressure psig	Pressure Diff. In. H ₂ O	Flowing Temp. t.	WellHead Temp. t.	Casing WellHead Press. (P _w) (P _t) (P _c)		Tubing WellHead Press. (P _w) (P _t) (P _c)		Duration (Hours)	Liquid Prod. Barrels
						psig	psia	psig	psia		
Shut-in						188	200				
Flow	.625	74.5	9.00	36		84	96			22.0	

FLOW STREAM ATTRIBUTES

COEFFICIENT (F _b) Mcf/d	(METER) PRESSURE psia	EXTENSION $\sqrt{P_m \times H_w}$	GRAVITY FACTOR F _g	FLOWING TEMP FACTOR F _t	DEVIATION FACTOR F _{pv}	RATE OF FLOW R Mcf/d	GOR	G _m
1.914	87.0	27.98	1.3063	1.0239	1.0073	72		.586

(OPEN FLOW)(DELIVERABILITY) CALCULATIONS

(P_c)² = 40.2 (P_w)² = 9.3 P_d = 37.2 % (P_c - 14.4) + 14.4 = (P_a)² = 0.207
(P_d)² = 5.55

$(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$	$(P_c)^2 - (P_w)^2$	$\frac{(P_c)^2 - (P_a)^2}{(P_c)^2 - (P_d)^2}$ or $\frac{(P_c)^2 - (P_a)^2}{(P_c)^2 - (P_w)^2}$	LOG []	Backpressure Curve Slope "n" ---- or ---- Assigned Standard Slope	n x LOG []	Antilog	Open Flow Deliverability = R x Antilog Mcf/d
40.04	30.89	1.296	.1128	.674	.0760	1.191	85
34.65	30.89	1.122	.0499	.674	.0337	1.081	77

OPEN FLOW 85 Mcfd @ 14.65 psia DELIVERABILITY 77 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 herein and that said report is true and correct. Executed this the 12 day of Feb, 2002

Witness (if any)

For Company

For Commission

Checked by

I declare under penalty or 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

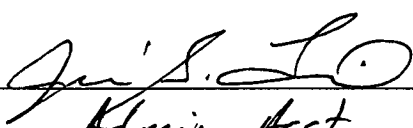
and that the foregoing information and statements contained on this application form are true and correct to the best of my knowledge and belief based upon gas production records and records of equipment installation and/or of type completion or upon use of the gas well herein named.

I hereby request a permanent exemption from open flow testing for the Schultz 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 incapable of producing at a daily rate in excess of 150 mcf/D

Date: 2-19-07

Signature: 
Title: Admin. Asst.

Instructions:

All active gas wells must have at least an original G-2 form on file with the conservation division. If a gas well meets 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 obtain a testing exemption.

At some point during the succeeding calendar year, wellhead shut-in pressure shall be 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.

The G-2 form conveying the newest shut-in pressure reading shall be filed with the Wichita office no later than thirty (30) days after the taking of the pressure reading. The form must be signed and dated on the front side as though it was a verified report of test results.

NATURAL GAS ANALYSIS REPORT

Sampled by:
 Trilobite Testing, Inc.
 Hays, Kansas
 Scott City, Kansas
 Phone: 800-728-5369
 Fax: 785-625-5620

Analyzed by:
 Caraway Analytical, Inc
 P. O. Box 2137
 Liberal, Kansas 67905
 Phone: 620-624-5389
 Fax: 620-626-7108

Lab Number: 20020415 **Analyzed: 02/01/02**

Sample From: Schultz 1-17 Pressure:
 Producer: Priority O&G Temperature:

Location: 17-4-40W

Time: County: Cheyenne
 Sampler: State: Kansas
 Source: Formation: Niobrara

	Mole %	GPM
Helium	He: 0.082	0.000
Hydrogen	H2: 0.000	0.000
Oxygen	O2: 0.000	0.000
Nitrogen	N2: 3.773	0.000
Carbon Dioxide	CO2: 0.092	0.000
Methane	C1: 94.348	0.000
Ethane	C2: 1.158	0.310
Propane	C3: 0.344	0.095
Iso Butane	iC4: 0.057	0.019
Normal Butane	nC4: 0.059	0.019
Iso Pentane	iC5: 0.017	0.006
Normal Pentane	nC5: 0.013	0.005
Hexanes Plus	C6+: 0.057	0.025

TOTAL: 100.000 0.478

Z Fact: 0.9981

SP.GR.: 0.5841

BTU (SAT): 976.8 @ 14.73 psia
 BTU (DRY): 994.1 @ 14.73 psia
 OCTANE RATING: 124.3

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COMMENTS:

0.000