

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
12/12/04

API No. 15
023-20381-0000

Company Priority Oil & Gas LLC		Lease Lauer Trust		Well Number 1-17	
County Cheyenne	Location NW SW NE	Section 17	TWP 4S	RNG (E/W) 40	Acres Attributed
Field Cherry Creek		Reservoir Beecher Island		Gas Gathering Connection Priority Oil & Gas LLC	
Completion Date 07/16/01		Plug Back Total Depth 1372		Packer Set at	
Casing Size 4.5 in	Weight 10.5 #	Internal Diameter 4.052	Set at 1413	Perforations 1251	To 1286
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 .357		% Nitrogen 3.584	
Vertical Depth(H)		Pressure Taps		(Meter Run) (Prover) Size 2 in.	
Pressure Buildup: Shut in 12/11/04 20 at 8:41 (AM) (PM) Taken 20 at (AM) (PM)					
Well on Line: Started 12/12/04 20 at 9:08 (AM) (PM) Taken 20 at (AM) (PM)					

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OBSERVED SURFACE DATA

Duration of Shut-in **24** Hours

Static / Dynamic Property	Orifice Size (inches)	Circle one: Meter Prover Pressure psig (P _m)	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					139	153.4				

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_g)² = 0.207

(P_d)² = _____

(P _c) ² = _____	(P _w) ² = _____	P _d = _____ %	(P _c - 14.4) + 14.4 = _____	
(P _c) ² - (P _d) ² or (P _c) ² - (P _w) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _d ² 2. P _c ² - P _w ² divided by: P _c ² - P _w ²	LOG of formula 1. or 2. and divide by: $\left[\frac{P_c^2 - P_w^2}{P_c^2 - P_d^2} \right]$	Backpressure Curve Slope = "n" ----- or ----- Assigned Standard Slope
				n x LOG $\left[\frac{P_c^2 - P_w^2}{P_c^2 - P_d^2} \right]$
				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 31st day of January, 20 05.

Witness (if any)

For Commission

Kevin Andrews

For Company

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.

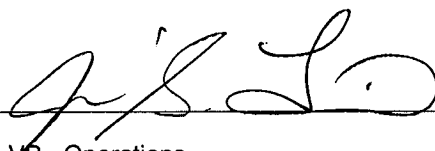
I hereby request a one-year exemption from open flow testing for the Lauer Trust 1-17 gas well on the grounds that said well:

(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: 1/28/05

Signature: 
Title: VP - Operations

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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: 1-17 LAUER TRUST
Station Number:
Purpose:
Sample Deg. F: 11
Volume/Day:
Formation:
Line PSIG: 105
Line PSIA:

Run No: 5466-8
Date Run: 2/4/02
Date Sampled: 1/30/02
Producer:
County: *CHEYENNE*
State: *KANSAS*
Sampled By: KEVIN ANDREWS
Atmos Deg. F:
LOCATION : SEC. 17-4S-40W

GAS COMPONENTS

	MOL%	GPM
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Carbon Dioxide C02:	0.357	
Nitrogen N2:	3.584	
Hydrogen Sulfide H2s:	0.0000	
Methane C1:	94.276	
Ethane C2:	1.247	0.333
Propane C3:	0.366	0.101
Iso-Butane IC4:	0.054	0.018
Nor-Butane NC4:	0.057	0.018
Iso-Pentane IC5:	0.000	0.000
Nor-Pentane NC5:	0.000	0.000
Hexane Plus C6+:	0.058	0.025
Totals	100.000	0.494

Pressure Base: 14.730
Real BTU Dry: 994.204
Real BTU Wet: 976.905
Calc. Ideal Gravity: 0.585
Calc. Real Gravity: 0.586
Field Gravity:
Standard Pressure: 14.696
BTU Dry: 991.922
BTU Wet: 974.663
Z Factor: 0.998
Avg Mol Weight: 16.941
Avg CuFt/Gal: 59.885
Ethane+ GPM 0.494
Propane+ GPM: 0.161
Butane+ GPM: 0.061
Pentane+ GPM: 0.025

Remarks:

Analysis By: S.G. WALLACE
Approved By:

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