

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

- Open Flow
 Deliverability

(See Instructions on Reverse Side)

Test Date:
8/10/05

API No. 15
023-20617-0000

Company Priority Oil & Gas LLC		Lease McCurry		Well Number 3-17	
County Cheyenne	Location E2/NE/NW	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 07/27/05		Plug Back Total Depth 1412.42		Packer Set at	
Casing Size 4.5 in	Weight 10.5 #	Internal Diameter 4.052	Set at 1454 KB	Perforations 1254	To 1291
Tubing Size NONE	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 .84		% Nitrogen 3.69	
Gas Gravity - G _g .5894		Vertical Depth(H) 1465		Pressure Taps (Meter Run) (Prover) Size	
Pressure Buildup: Shut in <u>08/09</u> 20 <u>05</u> at <u>4:51</u> (AM) (PM) Taken _____ 20 ____ at _____ (AM) (PM)					
Well on Line: Started <u>08/10</u> 20 <u>05</u> at <u>5:30</u> (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 or 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 _t) or (P _c)		Tubing Wellhead Pressure (P _w) or (P _t) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In											
Flow	.500					244	258.4				RECEIVED

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _b) (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)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_c)² = _____ : (P_w)² = _____ : P_d = _____ % (P_c - 14.4) + 14.4 = _____ : (P_a)² = 0.207
(P_o)² = _____

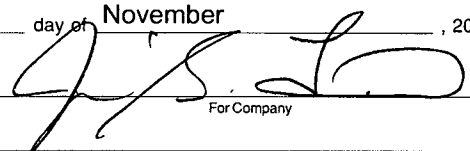
(P _c) ² - (P _a) ² or (P _c) ² - (P _o) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _a ² 2. P _c ² - P _o ² divided by: P _c ² - P _w ²	LOG of formula 1. or 2. and divide by: $\frac{P_c^2 - P_w^2}{P_c^2 - P_a^2}$	Backpressure Curve Slope = "n" or Assigned Standard Slope	n x LOG $\left[\frac{P_c^2 - P_w^2}{P_c^2 - P_a^2} \right]$	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 4th day of November, 2005.

Witness (if any)

For Commission



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 McCurry 3-17 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: 11/04/05

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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.

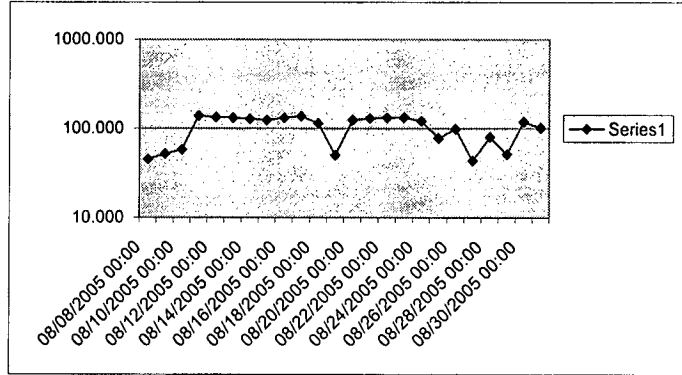
McCurry 3-17

EFM Report: A1G2 - FloBoss
 Uploaded: 09/01/2005 11:51:00 Operator: LOI
 EFM Report Information
 Report Data File

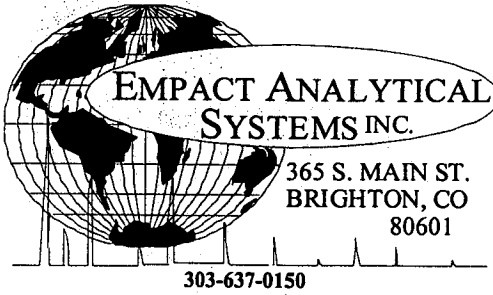
Report Period Meter #1
 Meter Description K0403-03
 Report Date 0

EFM Report: A1G2 - FloBoss
 Uploaded: 09/01/2005 11:51:00 Operator: LOI
 Daily Volume Report

Date/Time	Flow Minutes	Volume Accum MCF	Energy Accum MMBTU
08/08/2005 00:00	600.85	45.112	44.602
08/09/2005 00:00	732.35	51.840	51.253
08/10/2005 00:00	635.42	57.668	57.015
08/11/2005 00:00	1440.00	137.738	136.179
08/12/2005 00:00	1440.00	133.285	131.776
08/13/2005 00:00	1440.00	130.571	129.094
08/14/2005 00:00	1440.00	127.401	125.959
08/15/2005 00:00	1440.00	123.572	122.173
08/16/2005 00:00	1440.00	131.167	129.683
08/17/2005 00:00	1440.00	136.435	134.891
08/18/2005 00:00	1440.00	112.856	111.579
08/19/2005 00:00	1416.85	50.112	49.545
08/20/2005 00:00	1440.00	123.660	122.260
08/21/2005 00:00	1440.00	128.652	127.196
08/22/2005 00:00	1440.00	130.956	129.474
08/23/2005 00:00	1440.00	131.422	129.934
08/24/2005 00:00	1440.00	119.875	118.518
08/25/2005 00:00	1439.70	77.309	76.434
08/26/2005 00:00	1440.00	97.741	96.635
08/27/2005 00:00	1438.97	43.418	42.926
08/28/2005 00:00	1440.00	80.074	79.168
08/29/2005 00:00	1431.67	51.194	50.615
08/30/2005 00:00	1440.00	118.146	116.809
08/31/2005 00:00	1439.90	100.361	99.225
Total	32175.71	2440.565	2412.943



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NATURAL GAS ANALYSIS

PROJECT NO. :	0509049	ANALYSIS NO. :	06
COMPANY NAME :	PRIORITY OIL & GAS	ANALYSIS DATE:	SEPTEMBER 11, 2005
ACCOUNT NO. :		SAMPLE DATE :	AUGUST 16, 2005
PRODUCER :		TO:	
LEASE NO. :	3-17	CYLINDER NO. :	951
NAME/DESCRIP :	MCCURRY		

FIELD DATA

SAMPLED BY :	K ANDREWS	AMBIENT TEMP.:	
SAMPLE PRES. :	122#	GRAVITY :	
SAMPLE TEMP. :	69	VAPOR PRES. :	
COMMENTS :	SPOT PROBE		

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<u>COMPONENTS</u>	<u>NORM. MOLE%</u>	<u>GPM @ 14.65</u>	<u>GPM @ 14.73</u>
HELIUM	0.08	-	-
HYDROGEN	0.04	-	-
OXYGEN/ARGON	0.04	-	-
NITROGEN	3.69	-	-
CO2	0.84	-	-
METHANE	93.62	-	-
ETHANE	1.17	0.311	0.313
PROPANE	0.35	0.096	0.096
ISOBUTANE	0.06	0.020	0.020
N-BUTANE	0.06	0.019	0.019
ISOPENTANE	0.03	0.011	0.011
N-PENTANE	0.02	0.007	0.007
HEXANES+	0.00	0.000	0.000
TOTAL	100.00	0.464	0.466

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BTU @ 60 DEG F	14.65	14.73
GROSS DRY REAL =	980.0	985.3
GROSS WET REAL =	962.9	968.2

RELATIVE DENSITY (AIR=1 @14.696 PSIA 60F) : **0.5894**

COMPRESSIBILITY FACTOR : **0.99800**

NOTE: REFERENCE GPA 2261(ASTM D1945), 2145, & 2172 CURRENT PUBLICATIONS