Kansas Corporation Commission One Point Stabilized Open Flow or Deliverability Test

| Type Test | i: | | | | | (| See Ins | truct | ions on Re | verse Side | e) | | | | | |
|----------------------------------------------------------------------|-----------------------------|-----------------------------------------------------------------|-------------------------------------|-------------------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------------------------------|-----------------------------|----------------------------------------------------------|-------------------------------------------------------------|------------------------------------|-------------------|--------------------------------|-------------------------------------------------|--|
| ✓ Op | en Flo | w | | | | | | | | | | | | | | |
| Deliverabilty | | | | | Test Date: 12/12/09 | | | | | API No. 15 023-20492-0000 | | | | | | |
| Company Priority | Oil & | . G | as LLC | | | | | | Lease Pettibo | one | | | | Well Nu 1-8 | | |
| County Location Cheyenne SW SW NW | | | | ٧W | Section 8 | | | TWP 5S | | RNG (E/W) 41 | | | Acres Attributed | | | |
| Field Cherry Creek | | | | | | Reservoir Beecher Island | | | | Gas Gathering Connection Priority Oil & Gas LLC | | | | | | |
| Completion Date 05/08/03 | | | | Plug Bac 1552 | k Total I | Dept | h | Packer Set at | | | | | | | | |
| Casing Size 4.5 in | | | Weight 10.5 # | | | Internal Diameter 4.052 | | | Set at 1604 KB | | Perforations 1373 | | то 1408 | | | |
| Tubing Size Weight none | | | | Internal Diameter | | | Set a | Set at | | Perforations | | То | | | | |
| Type Con co2 Fra | | n (D | escribe) | | | Type Flui none | d Produ | ction | 1 | | | nit or Traveling | Plunger? Yes | \ @ | | |
| Producing Thru (Annulus / Tubing) | | | | % C | % Carbon Dioxide | | | | % Nitrog | • | | Gas Gravity - G _g | | | | |
| casing | | | | | .24 | | | | 4.9 | | | .5931 | | | | |
| Vertical Depth(H) | | | | | Pressure Taps | | | | | | • | (Meter Run) (Prover) Size 2 in. | | | | |
| • | | | | | • | | | AM) (PM) Taken | | 20 | at | at (AM | | | | |
| Well on L | ine: | | Started 12 | /13 | 20 | 09 at 3 | 20 | | (AM) (PM) | Taken | | 20 | at | | AM) (PM) | |
| | | | | | | | OBSE | RVE | D SURFAC | E DATA | | | Duration of Shut | -in_24 | Hours | |
| Static / | Orifice Size (inches) | | Circle one: Meter Prover Pressure | | Pressure Differential | Flowing Temperature t | Well Head | | Casing Wellhead Pressure | | Tubing Wellhead Pressure | | Duration | Liqui | Liquid Produced | |
| Dynamic Property | | | | | in | | Temperature t | ture | (P _w) or (F | | (P _w) or (P ₁) or (P _c) | | (Hours) | , | (Barrels) | |
| Shut-In | • | | psig (Pm) | | Inches H ₂ 0 | | | | psig | psia | psig | psia | | | | |
| Flow | .375 | ; | | | | | | | 129 | 143.4 | | | | | | |
| | | | <u> </u> | | | | FLOW | STR | EAM ATTR | IBUTES | 1 | | | 1 | | |
| Plate Coefficcient (F _b) (F _p) Mcfd | | Circle one: Meter or Prover Pressure psia | | | Press Extension ✓ P _m x h | Gravity Factor F ₀ | | Flowing Temperature Factor F _{f1} | | Deviation Factor F _{pv} | | Metered Flow R (Mcfd) | (Cubic Fe | GOR (Cubic Feet/ Barrel) | | |
| | | | | ł | | (OPEN FLO | OW) (DE | LIVI | ERABILITY |) CALCUL | .ATIONS | | (P ₋) |) ² = 0.2 | 07 | |
| (P _c) ² = | | _:_ | (P _w) ² = | | : | P _d = | | 9 | 6 (F | o _c - 14.4) + | 14.4 = | · | |)2 = | | |
| $(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$ | | (P _c) ² - (P _w) ² | | 1 2 | se formula 1 or 2: $P_c^2 - P_a^2$ $P_c^2 - P_d^2$ and by: $P_c^2 - P_w^2$ | LOG of formula 1. or 2. and divide by: LOG of preserved preserve | | Slope or Assig | | essure Curve pe = "n" - or signed lard Slope | l n x | LOG | Antilog | Deli Equals | en Flow iverability R x Antilog (Mcfd) | |
| | | | | | | | | | | | | | | | | |
| Open Flov | <u> </u> | | | 1 | Mcfd @ 14.6 | 65 psia | | | Deliverab | oility | | | Mcfd @ 14.65 ps | ia | | |
| The u | undersi | - | - | n be | half of the | Company, s | | | e is duly au | uthorized t | | ne above repo | t and that he ha | as know | _ | |
| the facts st | tated th | nerei | n, and that s | aid r | eport is true | and correc | . Execu | uted | this the | giY(| | Decem | | | ∞ <u>09</u> RECEIVED | |
| | | *************************************** | Witness | (if any) |) | | | ***** | | | mz. | For C | ompany | | DEC 3 1 200 | |
| | | | For Com | mission | 1 | | | | - | | | Chec | ked by | | CC WICHI | |

| | eclare under penalty of perjury under the laws of the state of Kansas that I am authorized to request status under Rule K.A.R. 82-3-304 on behalf of the operator Priority Oil & Gas LLC | | | | | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|--|--|--|--|
| | at the foregoing pressure information and statements contained on this application form are true and | | | | | | | | | |
| | 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 Pettibone 1-8 | | | | | | | | | | |
| | Il 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 | | | | | | | | | |
| l fu | rther agree to supply to the best of my ability any and all supporting documents deemed by Commission | | | | | | | | | |
| | necessary to corroborate this claim for exemption from testing. | | | | | | | | | |
| | | | | | | | | | | |
| Date: | 2/16/09 | | | | | | | | | |
| Juio | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | m / ~ / M | | | | | | | | | |
| | Signature: A. House | | | | | | | | | |
| | Title: Business Manager 0 | | | | | | | | | |

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 receipt signed and dated on the front side as though it was a verified report of annual test results.

DEC 3 1 2009