

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

Open Flow 24hr SI
 Deliverability

Test Date: 9-9-04 API No. 15-023-20564-0000

Company <u>Rosewood Resources</u>		Lease <u>Isernhagen</u>			Well Number <u>1-23</u>	
County <u>Cheyenne</u>	Location <u>SW SW</u>	Section <u>23</u>	TWP <u>3S</u>	RNG (E/W) <u>41W</u>	Acres Attributed <u>80</u>	
Field <u>Cherry Creek</u>		Reservoir <u>Niobrara</u>	Gas Gathering Connection <u>B.S.I</u>			
Completion Date <u>6-9-04</u>		Plug Back Total Depth <u>1197'</u>		Packer Set at		
Casing Size <u>9.8 in</u>	Weight <u>10.5</u>	Internal Diameter <u>4.052"</u>	Set at <u>1576'</u>	Perforations <u>980</u>	To <u>1010</u>	
Tubing Size <u>None</u>	Weight	Internal Diameter	Set at	Perforations <u>1339</u>	To <u>1377</u>	
Type Completion (Describe) <u>SINGLE (Vertical)</u>		Type Fluid Production <u>Gas & Wtr</u>		Pump Unit or Traveling Plunger? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Producing Thru (Annulus / Tubing) <u>Annulus</u>		% Carbon Dioxide <u>1.0</u>		% Nitrogen <u>18.0</u>		Gas Gravity - G _g <u>0.64</u>
Vertical Depth(H) <u>1585' 1377'</u>		Pressure Taps <u>Flange</u>		(Meter Run) (Prover) Size <u>(2")</u>		
Pressure Buildup: Shut in <u>7-9</u> 20 <u>04</u> at <u>7</u> (AM) (PM) Taken <u>9-9</u> 20 <u>04</u> at <u>7</u> (AM) (PM)						
Well on Line: Started <u>9-9</u> 20 <u>04</u> at <u>7</u> (AM) (PM) Taken <u>9-20</u> 20 <u>04</u> at <u>7</u> (AM) (PM)						

OBSERVED SURFACE DATA

Duration of Shut-in _____ Hours

Static / Dynamic (Correct)	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		
<u>Static</u>	<u>1.5</u>					<u>285</u>	<u>299.4</u>				
						<u>241</u>	<u>255.4</u>			<u>24</u>	<u>1</u>

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _D) (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 _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m
						<u>60</u>		

(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" Assigned Standard Slope	n x LOG	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 15 day of January, 2005.

Witness (if any)

For Company

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 Rosewood Resources 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 Isernhagen 1-23 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: 1/15/05

Signature: *Dennis Hanks*
Title: *Reservoir Engineer*

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.

Constant Time Multipoint Back Pressure Test (Using Surface Pressure Data and Variable Choke)

Property Description		Completion Data					
WellName	Isernhagen 01-23	Perforations	1339' - 1377'				
Operator	Rosewood Resources, Inc.	Completion Date	June 9, 2004				
Field	Cherry Creek	Frac Job	250,000 SCF N2; 48,595 gal MavFoam 70; 100,000 lbs sand				
Location	SE SW 03N 41W 23	Prod Csg	4-1/2 @ 1576', 55 sx				
County	Cheyenne	Tubing	None				
State	Kansas	Packer	None				
Reservoir Data		Other					
Zone	Niobrara	Test Date	July 7, 2004				
BHT, degF	92	Test Number	Initial				
Gas Gravity	0.6	Bar. Pressure	14.65 psi				
% CO2	0	Surf Temp	60 deg F				
% N2	0	Shut-in Time	120 hours				
% H2S	0	Choke Nipple	Variable in				
Correlation	M	(M = Misc Gas, Y = Condensate Fluids)					
Tpc	358.5	Using 6 in positive choke factors					
Ppc	672.5						
Observed Data							
Rate No.	Choke Size, in.	Duration, hours	Choke Pressure, psig	Choke Pressure, psia	Flowing Temp, deg F	Liquid Production, bbls	
Shut-in	blank		273	288	-	0	
1	5/32	1	256	271	60	0	
2	7/32	1	238	253	60	0	
3	9/32	1	213	228	60	0	
4	3/8	1	90	105	60	0	
5	7/32	24	73	88	60	0	
Rate of Flow Calculations							
Rate No.	Fp Coefficient, Mcfd/psia	Choke Pressure, psia	Fg Gravity Factor	Ft Temperature Factor	Fpv Deviation Factor	Q Mcf/day	
1	0.4274	270.65	1.29	1.00	1.02	152.79	
2	0.8623	252.65	1.29	1.00	1.02	287.31	
3	1.4580	227.65	1.29	1.00	1.02	436.78	
4	2.6400	104.65	1.29	1.00	1.01	359.79	
5	0.8623	87.65	1.29	1.00	1.01	98.29	
Pressure Calculations							
Rate No.	Pc, psia	Pw, psia	Pc ² / 1000	Pw ² / 1000	(Pc ² - Pw ²) / 1000	Q, Mcf/day	% (Pw/Shut-In), psig
1	287.65	270.65	82.74	73.25	9.49	153	93.8%
2	287.65	252.65	82.74	63.83	18.91	287	87.2%
3	287.65	227.65	82.74	51.82	30.92	437	78.0%
4	287.65	104.65	82.74	10.95	71.79	360	33.0%
5	287.65	87.65	82.74	7.68	75.06	98	26.7%
CAOF	287.65	14.65	82.74	0.21	82.53	102	0.0%
n =	0.43	Determined from "best fit" line through points 1,2,3,4 (see Chart)					
C =	15.25	Calculated using point 5 (24 hr) and n determined above					
CAOF =	102	Calculated using "n" and "C" above.					
Remarks:							
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="margin: 0;">RECEIVED</p> <p style="margin: 0;">JAN 24 2005</p> <p style="margin: 0;">KCC WICHITA</p> </div>							
Prepared By:	Ovidio Alfaro						
Company:	Rosewood Resources, Inc.						
Date:	August 12, 2004						

MIKE KERKER
President



Telephones
970-522-4761 — 522-4764

PRODUCTION ENGINEERING

440 - 442 SOUTH FRONT STREET
BOX 590
STERLING, COLORADO 80751

COMPANY: ROSEWOOD RESOURCES, INC.

STATE: KANSAS

ADDRESS: PO BOX 227
YUMA, CO 80759

COUNTY: CHEYENNE

WELL: ISERNHAGEN #1-23

FIELD: WILDCAT

TEST DESCRIPTION: FOUR-POINT TEST

INSTRUMENT TYPE: 10K SILICON CRYSTAL PRESS/TEMP PROBE

PROCEDURE CHRONOLOGY

FIRST DATA POINT 08:07 07-07-04
GAUGE LANDED @ 1339' MV 08:25 07-07-04
BEGIN FLOW TEST 08:30 07-07-04
GAUGE OFF BOTTOM 12:25 07-08-04

PRESSURE/TEMPERATURE INFORMATION

CASING PRESSURE (IN, OUT) (psig) 273, 73
MAXIMUM BHT (deg F) 91.75
SHUT IN BHP (psia) 295.49
Pwf (10/64) (psia) 278.32
Pwf (14/64) (psia) 261.19
Pwf (18/64) (psia) 235.87
Pwf (24/64) (psia) 207.38
Pwf (14/64 - 24 hour) (psia) 225.46

FILE NAME: ISERNHAGEN #1-23.ASC

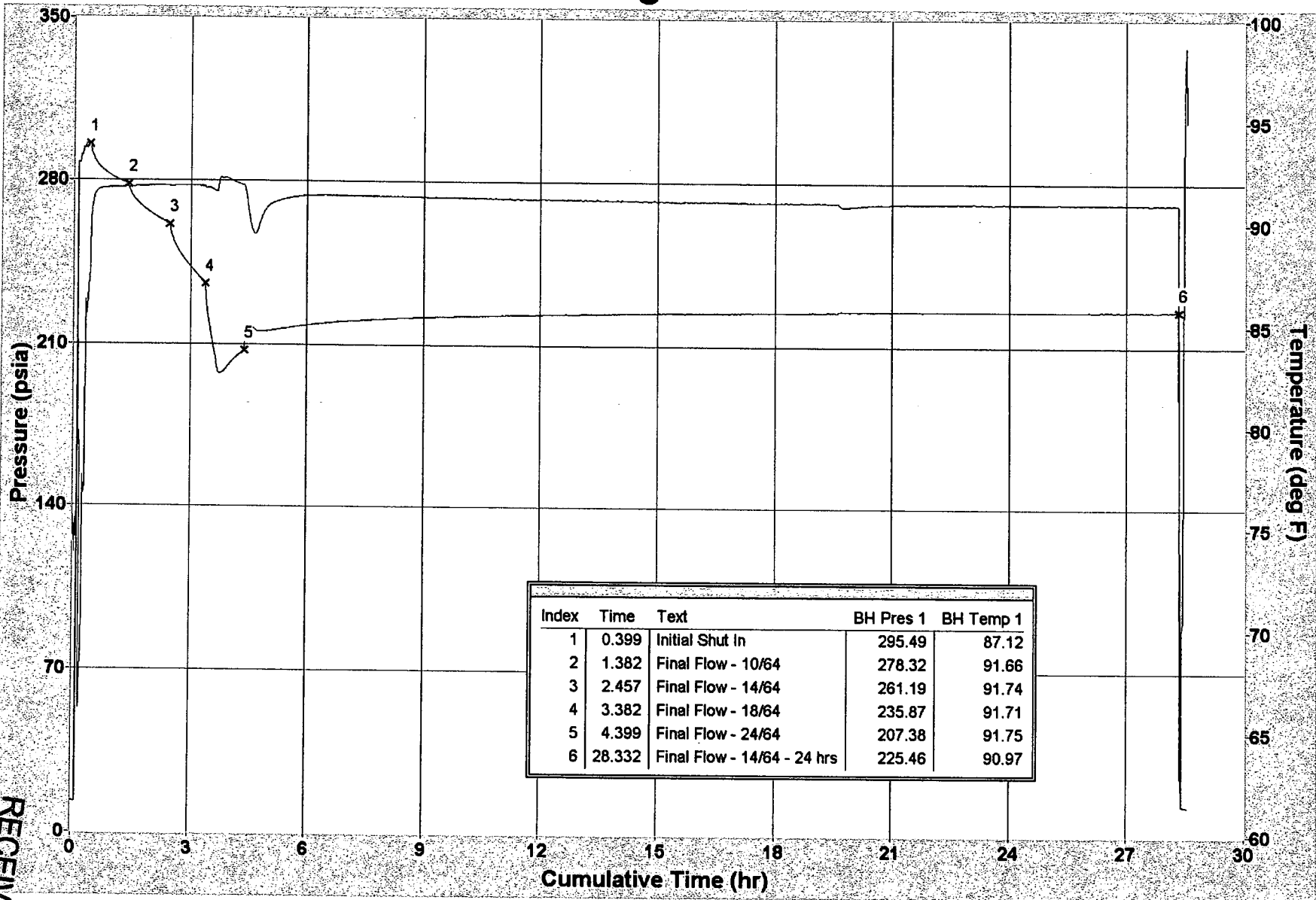
FILE FORMAT: TIME (hrs), PRESSURE (psia), TEMP (Deg F)

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Company Name Rosewood Resources, Inc.
 Well Name Isernhagen #1-23
 Type of Test 4-Point Test
 Date(s) of Test July 07-08, 2004



Isernhagen #1-23



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PRODUCTION ENGINEERING

Sterling, Colorado 80751

WELL TESTING DATA

Date of Test July 7-8, 2004

Lease Isernhagen Well No. 1-23 Company Rosewood Resources

Field Wildcat County Cheyenne State KS Location _____

Production Casing 4 1/2" Wt. 10.5# Set At 1528' Perf. 1339' To 1377'

Tubing Size None Set At _____ Perf. _____ To _____

Meter Run _____ Conn. _____ Well Shut-in _____ hrs. Shut-in Pressure Csg. pressure 273 psig.

Gravity _____ BHT _____ Tbg. pressure NA psig.

Test Run on: Casing, Tubing, Annulus (Cross out those not applicable)

Other remarks about test set-up: 4-Point test with choke

OBSERVATIONS

Date	Time	Orif. Size	Flow. Temp.	Meter or Prover Pressure psig.	Diff. hw Inches of Water	Wellhead Working psig.		Choke Size	Remarks
						Tbg.	Csg.		
7-7-04	8:30					-	273	-	Initial Shut-In
7-7-04	8:45					-	263	10/64	Begin 4-Point Test
	9:00					-	259		
	9:15					-	257		
	9:30					-	256		
	9:45					-	248	14/64	
	10:00					-	244		
	10:15					-	240		
	10:30					-	238		
	10:45					-	227	18/64	
	11:00					-	222		
	11:15					-	216		
	11:30					-	213		
	11:45					-	189		
	12:00					-	129		
	12:15					-	103		
	12:30					-	90		End 4-Point Test
7-7-04	12:30					-	90	14/64	Begin Overnight Flow
7-8-04	12:25					-	73	14/64	End Overnight Flow

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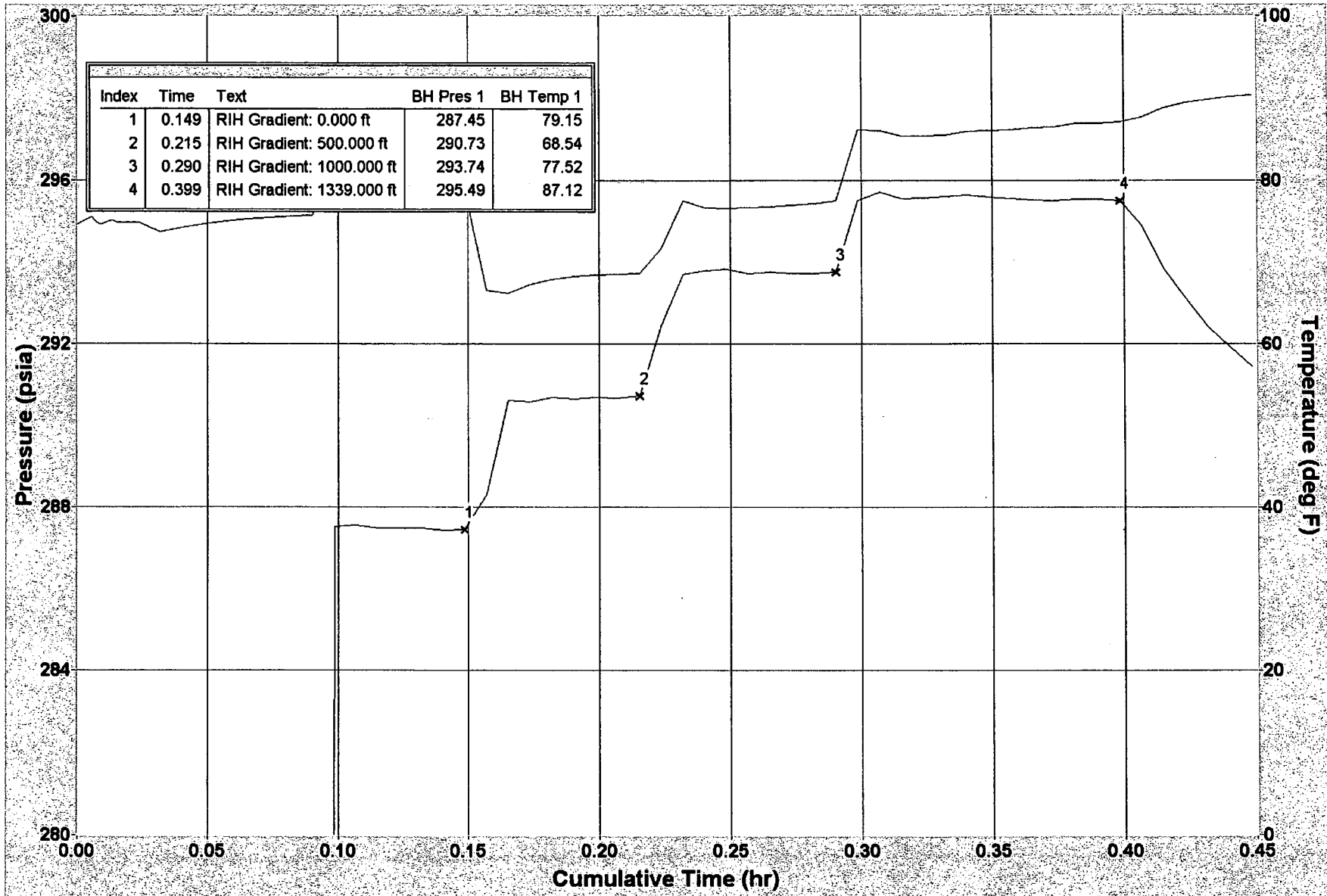
JAN 24 2005

KCC WICHITA

Company Name Rosewood Resources, Inc.
 Well Name Isernhagen #1-23
 Type of Test 4-Point Test
 Date(s) of Test July 07-08, 2004



RIH Gradient



MIKE KERKER
President



Telephones
970-522-4761 — 522-4764

PRODUCTION ENGINEERING

440 - 442 SOUTH FRONT STREET
BOX 590
STERLING, COLORADO 80751

Company: Rosewood Resources, Inc.
Well: Isernhagen #1-23
Field: Wildcat

County: Cheyenne
State: Kansas

Engineer:
Gauge Type: Silicon Crystal
Serial No.: 5375
Gauge Range: 1000
Gauge Depth: 1339 ft

Date: 07/07/2004

Well Type: Gas Production
Test Type: RIH Gradient
Well Status: Shut In

Tubing: TO
Tubing: TO
Casing: TO
Perfs.: 1339' - 1377'
Perfs.:
Elevation:

PBTD 1528 ft
Oil Level None
H2O Level None

Zero: Master Valve

Shut-in BHP 295 @ 1339 ft Shut-in BHT 87 F @ 1339 ft
Shut-in WHP 287 Shut-in WHT 79 F
Casing CSGP 287

[GRADIENT DATA]

#	MD	TVD	PRESSURE	PSI/ft
1	0	0	287.45	
2	500	500	290.73	0.007
3	1000	1000	293.74	0.006
4	1339	1339	295.49	0.005

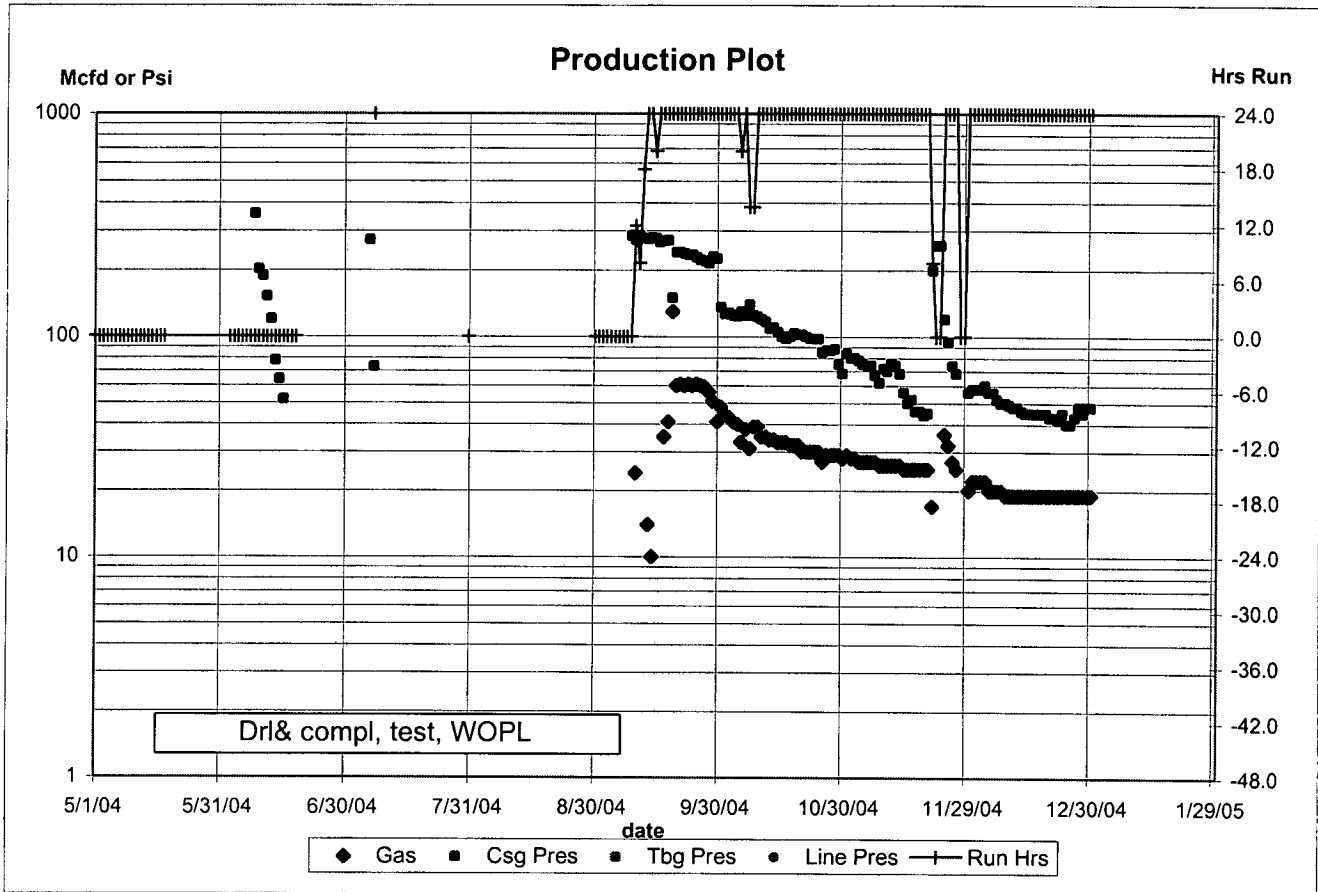
Remarks: File Name: ISERN123.*
Bomb On Bottom: 08:25 am

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Actual
ISERNHAGEN 01-23

draft

	<u>Gas</u>	<u>Csg Press</u>	<u>Tbg Press</u>	<u>Line Press</u>	<u>Hrs</u>	
2004/01						
2004/02						
2004/03						
2004/04						
2004/05	null	null	null	null	null	Spud & TD 1417' set Csg
2004/06	null	null	null	null	null	N2Frac 100k#
2004/07	0	null	null	null	0.0	4 pt 7/7/04. WOPL 51dys(EOM)
2004/08	0	null	null	null	0.0	SI = 1272 hrs. WOPL day: 81
2004/09	884	247.5	null	null	22.2	SI: 1512hrs WOPL 88dys. G-2. On Line.
2004/10	1050	107.5	null	null	23.2	
2004/11	688	87.4	null	null	23.4	
2004/12	606	48.4	null	null	24.0	
TOTAL	3228	122.7			23.2	



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Actual					
ISERNHAGEN 01-23					
Gas	Csg Press	Tbg Press	Line Press	Hrs	
10/18/2004	32	100	null	null	24.0
10/19/2004	32	104	null	null	24.0
10/20/2004	32	102	null	null	24.0
10/21/2004	30	102	null	null	24.0
10/22/2004	30	100	null	null	24.0
10/23/2004	30	98	null	null	24.0
10/24/2004	30	98	null	null	24.0
10/25/2004	30	98	null	null	24.0
10/26/2004	27	85	null	null	24.0
10/27/2004	29	87	null	null	24.0
10/28/2004	29	87	null	null	24.0
10/29/2004	29	88	null	null	24.0
10/30/2004	29	75	null	null	24.0
10/31/2004	28	68	null	null	24.0
11/01/2004	29	84	null	null	24.0
11/02/2004	28	80	null	null	24.0
11/03/2004	28	80	null	null	24.0
11/04/2004	27	78	null	null	24.0
11/05/2004	27	75	null	null	24.0
11/06/2004	27	74	null	null	24.0
11/07/2004	27	74	null	null	24.0
11/08/2004	27	67	null	null	24.0
11/09/2004	26	62	null	null	24.0
11/10/2004	26	72	null	null	24.0
11/11/2004	26	70	null	null	24.0
11/12/2004	26	76	null	null	24.0
11/13/2004	26	74	null	null	24.0
11/14/2004	26	68	null	null	24.0
11/15/2004	25	56	null	null	24.0
11/16/2004	25	50	null	null	24.0
11/17/2004	25	52	null	null	24.0
11/18/2004	25	46	null	null	24.0
11/19/2004	25	46	null	null	24.0
11/20/2004	25	44	null	null	24.0
11/21/2004	25	45	null	null	24.0
11/22/2004	17	200	null	null	8.0
11/23/2004	0	258	null	null	0.0
11/24/2004	0	258	null	null	0.0
11/25/2004	36	120	null	null	24.0
11/26/2004	32	95	null	null	24.0
11/27/2004	27	74	null	null	24.0
11/28/2004	25	68	null	null	24.0
11/29/2004	null	null	null	null	SI
11/30/2004	null	null	null	null	SI
12/01/2004	20	56	null	null	24.0
12/02/2004	22	58	null	null	24.0
12/03/2004	22	58	null	null	24.0
12/04/2004	22	58	null	null	24.0
12/05/2004	22	60	null	null	24.0
12/06/2004	20	56	null	null	24.0
12/07/2004	20	56	null	null	24.0
12/08/2004	20	52	null	null	24.0
12/09/2004	20	50	null	null	24.0
12/10/2004	19	50	null	null	24.0
12/11/2004	19	49	null	null	24.0
12/12/2004	19	48	null	null	24.0
12/13/2004	19	48	null	null	24.0
12/14/2004	19	46	null	null	24.0
12/15/2004	19	45	null	null	24.0
12/16/2004	19	45	null	null	24.0
12/17/2004	19	45	null	null	24.0
12/18/2004	19	45	null	null	24.0
12/19/2004	19	45	null	null	24.0
12/20/2004	19	45	null	null	24.0
12/21/2004	19	43	null	null	24.0
12/22/2004	19	43	null	null	24.0
12/23/2004	19	42	null	null	24.0
12/24/2004	19	45	null	null	24.0
12/25/2004	19	40	null	null	24.0
12/26/2004	19	40	null	null	24.0
12/27/2004	19	43	null	null	24.0
12/28/2004	19	48	null	null	24.0
12/29/2004	19	45	null	null	24.0
12/30/2004	19	48	null	null	24.0
12/31/2004	19	48	null	null	24.0
2004	3228	123	null	null	23.2

SI @ 30pm SI 16hrs
 SI 40hr
 SI 64hr & on line

SI
 SI

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Actual

ISERNHAGEN 01-23

Gas	Csg Press	Tbg Press	Line Press	Hrs	
05/13/2004	null	null	null	null	Spud 11:45am Set Surf Csg 209 & WOC
05/14/2004	null	null	null	null	TD 1585 set 4.5" 10.5# Prd Csg @ 1576
05/15/2004	null	null	null	null	WOC. RR. RDMO. & WOCU
05/16/2004	null	null	null	null	WOCU day 1
05/17/2004	null	null	null	null	WOCU day 2
05/18/2004	null	null	null	null	WOCU day 3
06/03/2004	null	null	null	null	WOCU day 18
06/04/2004	null	null	null	null	TOC 536 PBDT 1197 ran GR/CBL/CCL
06/05/2004	null	null	null	null	(cont.) Perf 980-1010 spf 2 holes 60 gun 3-1/8"
06/06/2004	null	null	null	null	WOFU
06/07/2004	null	null	null	null	WOFU
06/08/2004	null	null	null	null	PERF 1339-1377 spf 2 gun 3-1/8" & SI
06/09/2004	null	358	null	null	N2FRAC 100k# SICP 3.5hr & Flo to Pit 16/64"
06/10/2004	null	202	null	null	FCP 16/64 Chk. Hvy Mist, SOW&Tr.Sd.
06/11/2004	null	189	null	null	FCP 16/64 Chk. Hvy Mist, SOW&Tr.Sd.
06/12/2004	null	152	null	null	FCP Hvy Mist,SOW&Tr.Sd.
06/13/2004	null	120	null	null	FCP Hvy Mist & Slugs
06/14/2004	null	78	null	null	FCP Hvy Mist & Slugs
06/15/2004	null	64	null	null	FCP Hvy Mist & Slugs
06/16/2004	null	52	null	null	FCP Gd Mist & SOW & Shut In.
06/17/2004	null	null	null	null	SI WOPL, Hrs = 24
06/18/2004	null	null	null	null	SI WOPL, Hrs = 48
06/19/2004	null	null	null	null	SI WOPL, Hrs = 72
07/06/2004	0	null	null	null	SI WOPL, Hrs = 457
07/07/2004	0	273	null	null	SI 480hrs 4-pt 8:30am-12:30pm & start 24Hr Flow
07/08/2004	0	73	null	24.0	end 12:30pm & SHUT IN. SI = 0 hrs. WOPL
07/09/2004	0	null	null	null	SI = 0 hrs. WOPL
07/10/2004	0	null	null	null	SI = 24 hrs. WOPL day: 30
07/11/2004	0	null	null	null	SI = 48 hrs. WOPL
07/12/2004	0	null	null	null	SI = 72 hrs. WOPL
07/25/2004	0	null	null	null	SI = 384 hrs. WOPL day: 45
07/31/2004	0	null	null	0.0	SI = 528 hrs. WOPL day: 51
08/10/2004	0	null	null	null	SI = 768 hrs. WOPL day: 60
08/25/2004	0	null	null	null	SI = 1128 hrs. WOPL day: 75
08/31/2004	0	null	null	0.0	SI = 1272 hrs. WOPL day: 81
09/01/2004	0	null	null	0.0	SI = 1296 hrs. WOPL
09/02/2004	0	null	null	0.0	SI = 1320 hrs. WOPL
09/03/2004	0	null	null	0.0	SI = 1344 hrs. WOPL
09/04/2004	0	null	null	0.0	SI = 1368 hrs. WOPL
09/05/2004	0	null	null	0.0	SI = 1392 hrs. WOPL
09/06/2004	0	null	null	0.0	SI = 1416 hrs. WOPL
09/07/2004	0	null	null	0.0	SI = 1440 hrs. WOPL
09/08/2004	0	null	null	0.0	SI = 1464 hrs. WOPL day: 88
09/09/2004	0	285	null	0.0	SICP Hrs: 1512 G-2 taken. On Line.
09/10/2004	24	273	null	12.0	First Sales
09/11/2004	0	285	null	8.0	
09/12/2004	0	278	null	18.0	
09/13/2004	14	277	null	24.0	
09/14/2004	10	280	null	24.0	
09/15/2004	0	278	null	20.0	
09/16/2004	0	268	null	24.0	
09/17/2004	35	270	null	24.0	
09/18/2004	41	272	null	24.0	
09/19/2004	130	150	null	24.0	
09/20/2004	60	241	null	24.0	
09/21/2004	61	240	null	24.0	
09/22/2004	60	238	null	24.0	
09/23/2004	61	235	null	24.0	
09/24/2004	60	235	null	24.0	
09/25/2004	61	228	null	24.0	
09/26/2004	60	222	null	24.0	
09/27/2004	59	220	null	24.0	
09/28/2004	56	215	null	24.0	
09/29/2004	51	230	null	24.0	
09/30/2004	41	225	null	24.0	
10/01/2004	48	136	null	24.0	
10/02/2004	44	127	null	24.0	
10/03/2004	43	128	null	24.0	
10/04/2004	41	125	null	24.0	
10/05/2004	40	124	null	24.0	
10/06/2004	33	130	null	20.0	
10/07/2004	38	125	null	24.0	
10/08/2004	31	140	null	14.0	
10/09/2004	39	125	null	14.0	
10/10/2004	39	123	null	24.0	
10/11/2004	35	120	null	24.0	
10/12/2004	35	117	null	24.0	
10/13/2004	34	109	null	24.0	
10/14/2004	34	110	null	24.0	
10/15/2004	33	105	null	24.0	
10/16/2004	33	100	null	24.0	
10/17/2004	33	98	null	24.0	