

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST RECEIVED

SEP 14 2006

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
08/28/06

API No. 15

15-023-20679-00-~~00~~ **KCC WICHITA**

Company: **LOBO PRODUCTION, INC.** Lease: **ADAMS-MCATEE** Well Number: **10-20**

County: **CHEYENNE** Location: **NW-SE-NW** Section: **20** TWP: **4** RNG (E/W): **41W** Acres Attributed: _____

Field: **CHERRY CREEK NIOBRARA** Reservoir: **NIOBRARA** Gas Gathering Connection: **LOBO PRODUCTION, INC.**

Completion Date: **7-11-06** Plug Back Total Depth: **1300'** Packer Set at: _____

Casing Size: **4.5"** Weight: **11.60#** Internal Diameter: _____ Set at: **1300'** Perforations: **1180'** To: **1190'**

Tubing Size: _____ Weight: _____ Internal Diameter: _____ Set at: _____ Perforations: _____ To: _____

Type Completion (Describe): **SINGLE GAS** Type Fluid Production: _____ Pump Unit or Traveling Plunger?: **NO** Yes / No

Producing Thru (Annulus / Tubing): **CASING** % Carbon Dioxide: _____ % Nitrogen: _____ Gas Gravity - G_g: **.600**

Vertical Depth(H): **T.D. 1307"** Pressure Taps: _____ (Meter Run) (Prover) Size: **2" METER RUN**

Pressure Buildup: Shut in **08/28** 20 **06** at **09:00** (AM) (PM) Taken **08/31** 20 **06** at **08:30** (AM) (PM)

Well on Line: Started **08/31** 20 **06** at **08:30** (AM) (PM) Taken **09/02** 20 **06** at **08:30** (AM) (PM)

OBSERVED SURFACE DATA

Duration of Shut-in _____ 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 ₁) or (P _c)		Tubing Wellhead Pressure (P _w) or (P ₁) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In	1.00	163	-----	-----	-----	163	175.2	-----	-----	72	-----
Flow	1.00	41	3	60	60	41	53.2	-----	-----	48	-----

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 _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m
6.293	53.5	12.67	1.00	1.00	1.00	79.73	-----	-----

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_c)² = **30.70** ; (P_w)² = **2.83** ; P_d = _____ % ; (P_c - 14.4) + 14.4 = _____ ; (P_d)² = 0.207 ; (P_o)² = _____

(P _c) ² - (P _d) ² or (P _c) ² - (P _o) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _d 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: $\left[\frac{P_c^2 - P_w^2}{P_c^2 - P_o^2} \right]$	Backpressure Curve Slope = "n" ----- or ----- Assigned Standard Slope	n x LOG $\left[\frac{P_c^2 - P_w^2}{P_c^2 - P_o^2} \right]$	Antilog	Open Flow Deliverability Equals R x Antilog (Mcfd)
30.493	27.87	1.094	.03906	.850	.0332	1.0794	86

Open Flow **86** 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 **8TH** day of **SEPTEMBER**, 20 **06**.

Richard Miller
For Company

Witness (if any)

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 LOBO PRODUCTION, INC.

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 ADAMS-MCATEE 10-20 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: 09/08/06

Signature: Richard Miller

Title: Owner/Operator

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.

LOBO PRODUCTION, INC.

6715 Road 22 • Goodland, Kansas 67735
Tele: (785) 899-5684 • Fax (785) 899-5966

Email: jsanders@st-tel.net

Field Offices:

Goodland: (785) 899-7342

Benkelman: (785) 332-3299

September 12, 2006

KCC
Conservation Division
130 S. Market – Room 2078
Wichita, KS 67202

To Whom It May Concern:

Enclosed is an open flow test for a new well located in Cheyenne County, Kansas.

If you have any questions, contact our office at 785-899-5684.

Sincerely



Julie Crow
Adm. Assistant

RECEIVED
SEP 14 2006
KCC WICHITA