Form G-2 (Rev. 7/03)

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

RECEIVED

Type Test: (See Instructions on Reverse Side) APR 2 1 2004 Open Flow Test Date: API No. 15 Deliverabilty KCC WICHITA 03/16/04 023-20480-00-00 Company Lease Well Number Priority Oil & Gas LLC O'Brien 1-36 County Location Section TWP RNG (E/W) Acres Attributed Cheyenne E/2 SE SW NW 36 45 42 Field Reservoir Gas Gathering Connection **Cherry Creek** Beecher Island Kinder Morgan Completion Date Plug Back Total Depth Packer Set at 04/21/03 1417 Casing Size Weight Internal Diameter Set at Perforations То 4.5 in 10.5 # 4.052 1446 1275 1310 Tubing Size Weight Internal Diameter Set at Perforations То Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / No co2 Frac none Producing Thru (Annulus / Tubing) % Carbon Dioxide % Nitrogen Gas Gravity - G casing Vertical Depth(H) Pressure Taps (Meter Run) (Prover) Size 03/15 20 04 at 3:33 Pressure Buildup: Shut in ______ 20 ____ at ___ (AM) (PM) Taken_ Started 03/16 20 04 at 3:38 Well on Line: (AM) (PM) Taken _____ 20 ___ at _ **OBSERVED SURFACE DATA** 24 Duration of Shut-in Hours Circle one: Pressure Casing Tubing Static / Orifice Flowing Well Head Meter Differential Wellhead Pressure Dynamic Size Wellhead Pressure Duration Liquid Produced Temperature Temperature Prover Pressure (P_w) or (P_L) or (P_C) (P_w) or (P_t) or (P_c) Property (inches) (Hours) (Barrels) psig (Pm) Inches H₂0 Shul-In Flow .500 182 196.4 **FLOW STREAM ATTRIBUTES** Plate Press Flowing Gravity Flowing Deviation Coeffiecient Meter or Metered Flow GOR Extension Temperature Factor (F,) (F,) Prover Pressure Factor (Cubic Feet/ Factor √ P_x h F, Gravity (Mcfd) Barret) F,, G_m (OPEN FLOW) (DELIVERABILITY) CALCULATIONS $(P_a)^2 = 0.207$ $(P_{w})^{2} =$ $(P_c - 14.4) + 14.4 =$ $(P_d)^2 =$ Choose formula 1 or 2: Backpressure Curve $(P_c)^2 - (P_a)^2$ (P_a)² - (P_a)² 1. P.2-P.2 LOG of Open Flow Slope = "n" formula n x LOG Deliverability 2. P.2-P.2 Antilog (P_c)² - (P_d)² 1. or 2. Assigned Equals R x Antilog divided by: P2-P2 Standard Slope (Mcfd) Open Flow

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 14th _{day of} April 20 04 Witness (if any) For Company For Commission Checked by

Deliverability

Mcfd @ 14.65 psia

Mcfd @ 14.65 psia

I declare under penalty of perjury under the laws of the state of Kansas that I am authorized to requestion 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 a correct to the best of my knowledge and belief based upon available production summaries and lease record equipment installation and/or upon type of completion or upon use being made of the gas well herein name	nd ds
I hereby request a one-year exemption from open flow testing for the O'Brien 1-36	. <u> </u>
gas well on the grounds that said well:	
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 Commisstaff as necessary to corroborate this claim for exemption from testing. Date: 04/14/04	ssion
Signature: PR 2 1 2004 C WICHITA	-

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.