## KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test   |                    |   |  |         |  | (                           | See Instr  | ucti                 | ions on Re                                 | verse Side   | )                             |                                     |                     |  |                              |  |  |
|---|--------------------|---|--|---------|--|-----------------------------|--|----------------------|--|--|-------------------------------|-------------------------------------|---------------------|--|------------------------------|--|--|
|   | en Flor<br>diverab |   |  |         | Test Date: API No. 15  |                             |  |                      |  |  |                               |                                     |                     |  |                              |  |  |
| Company   | -                  | щу  |  |         |  | 07/01/1                     | 0  |                      | Lease                                      |  | 181                           | 1-20325-0                           | JUU                 | ·  | Vell Nu                      | mher   |  |
|   |                    | DUC   | CTION, II                                    | NC.     |  |                             |  |                      |  | /AN-RE   | AMS                           |                                     |                     | 3-10   |                              |  |  |
| County Location SHERMAN SW/SW/NE                  |                    |   |  |         | Section<br>10  |                             |  | TWP RNG (E<br>8S 40W |  |  |                               |                                     |                     |  |                              |  |  |
| Field<br>GOOD                                     | LAND               | ) G   | AS FIELD                                     | )       |  | Reservoir<br>NIOBF          |  |                      |  |  |                               | hering Conn<br>PRODUC               |                     | , INC.   |                              |  |  |
| Completion Date 8/19/03                           |                    |   |  |         |  | Plug Bac<br>1377'           | k Total D  | epti                 |  |  |                               | let at                              |                     |  |                              |  |  |
| Casing Size Weight 4 1/2" 13.50#                  |                    |   |  |         | Internal Diameter  |                             |  | Set 8                |  | Perfo<br>115   | rations .<br>O'               |                                     | то<br>1184'         |  |                              |  |  |
| Tubing Size Weight                                |                    |   |  |         | Internal Diameter  |                             |  | Set a                | at   | Perfo  | rations                       |                                     | То                  |  |                              |  |  |
| Type Cor<br>SINGLE                                |                    |   | escribe)                                     |         |  | Type Flui                   | d Product  | tion                 | 1  |  | Pump Ur                       | nit or Traveling                    | Plunge              |  |                              |  |  |
| Producing Thru (Annulus / Tubing) <b>CASING</b>   |                    |   |  |         | % C  | Carbon Di                   | oxic   | de % Nitrogen        |  |  | en                            | Gas Gravity - G <sub>a</sub><br>.59 |                     |  |                              |  |  |
| Vertical Depth(H)<br>T.D 1407'                    |                    |   |  |         |  |                             | Pr   | ess                  | sure Taps                                  | Taps   |                               |                                     |                     | (Meter Run) (Prover) Size 2" METER RUN                           |                              |  |  |
| Pressure Buildup: Shut in 07/01                   |                    |   |  |         | 2  | 9:20                        | :20 (AM) (F  |                      | /i) Taken 07/02                            |  | 20                            |                                     | 0 at 9:40           |  | (AM)(PM)                     |  |  |
|   |                    |   |  |         |  |                             | at   |                      | (AM) (PM)                                  | Taken  |                               | 20                                  |                     | _ at   |                              | (AM) (PM)  |  |
|   |                    |   |  |         |  |                             | OBSER  | VE                   | D SURFAC                                   | E DATA   |                               |                                     | Duratio             | on of Shut-l   | <sub>n</sub> 24.             | 33 Hours   |  |
| Static /<br>Dynamic<br>Property                   | mic Size           |   | Circle one:  Meter Prover Pressure psig (Pm) |         | Pressure<br>Differential<br>in<br>Inches H <sub>2</sub> 0  | Flowing<br>Temperature<br>t | Well Head<br>Temperature<br>t                            |                      | Cas<br>Wellhead<br>(P <sub>w</sub> ) or (P | Pressure   | $(P_w)$ or $(P_t)$ or $(P_c)$ |                                     | Duration<br>(Hours) |  | Liquid Produced<br>(Barrels) |  |  |
| Shut-In   | rt-In              |   | poig (i m)                                   |         | 11101100 1120  |                             |  |                      | psig<br>17                                 | psia   | psig                          | psia                                |                     |  |                              |  |  |
| Flow  |                    |   |  |         |  |                             |  |                      |  |  |                               |                                     |                     |  |                              |  |  |
|   |                    |   |  |         |  | . =                         | FLOW S   | TRI                  | EAM ATTR                                   | IBUTES   |                               |                                     |                     |  |                              |  |  |
| Plate<br>Coeffiec<br>(F <sub>b</sub> ) (F<br>Mcfd | ient<br>,,)        | Circle one:<br>Meter or<br>Prover Pressure<br>psia              |  |         | Press Gra Extension Fac  ✓ P <sub>m</sub> x h F  |                             | tor Temperature  |                      | emperature<br>Factor                       | Deviation<br>Factor<br>F <sub>ev</sub>                 |                               | Metered Flow<br>R<br>(Mcfd)         |                     | GOR<br>(Cubic Feet/<br>Barrel)                                   |                              | Flowing<br>Fluid<br>Gravity<br>G <sub>m</sub>              |  |
|   |                    |   |  |         |  | (005) 51                    | 0147) (DEL   |                      |  |  | 4710110                       |                                     |                     |  |                              |  |  |
| (P <sub>c</sub> ) <sup>2</sup> =                  |                    | _:  | (P <sub>w</sub> ) <sup>2</sup> :             | =       | :  | (OPEN FLO                   | OW) (DEL   | .IVE                 |  | ) CALCUL<br>P <sub>c</sub> - 14.4) +                   |                               | :                                   |                     | (P <sub>a</sub> ) <sup>2</sup><br>(P <sub>d</sub> ) <sup>2</sup> | = 0.2<br>=                   | 07   |  |
| $(P_c)^2 - (P_a)^2$<br>or<br>$(P_c)^2 - (P_d)^2$  |                    | (P <sub>c</sub> ) <sup>2</sup> - (P <sub>w</sub> ) <sup>2</sup> |  | 2       | 1. P <sub>c</sub> <sup>2</sup> - P <sub>s</sub> <sup>2</sup> 2. P <sub>c</sub> <sup>2</sup> - P <sub>c</sub> <sup>2</sup> ded by: P <sub>c</sub> <sup>2</sup> - P <sub>w</sub> <sup>2</sup> LOG of formula 1. or 2. and divide by: |                             | P <sub>c</sub> <sup>2</sup> -P <sub>w</sub> <sup>2</sup> |                      | Slop                                       | Backpressure Curve Slope = "n" Assigned Standard Slope |                               | n x LOG                             |                     | Antilog Ec   |                              | Open Flow<br>Deliverability<br>quals R x Antilog<br>(Mcfd) |  |
| Open Flo  | w                  |   |  |         | Mcfd @ 14.0  | 65 psia                     |  |                      | Deliverab                                  | ility  |                               |                                     | Mcfd @              | 14.65 psia   | 1                            |  |  |
| <del>-                                    </del>  |                    | aner  | authority of                                 |         | ······································   |                             | tates the  | he                   |  |  | make th                       | e above repo                        |                     |  |                              | ledge of   |  |
|   |                    | _   | •  |         | report is true   | , ,                         |  |                      |  | 3rd  | $\sim$ .                      | ugust                               | ?                   | m  |                              | 20 <u>10</u> .   |  |
|   |                    |   | Witness                                      | (if any | )  |                             | <del></del>  | -                    | -  | //   | Sin                           | For                                 | Company             | 1.10   | w-                           |  |  |
|   | . <u> </u>         |   | For Com:                                     | missio  | n  |                             |  | -                    | -  |  |                               | Chec                                | ked by              |  |                              | RECEIV   |  |
|   |                    |   |  |         |  |                             |  |                      |  |  |                               |                                     | •                   |  |                              |  |  |
|   |                    |   |  |         |  |                             |  |                      |  |  |                               |                                     |                     |  |                              | AUG 3 1  |  |

KCC WICHITA

|                | 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 LOBO PRODUCTION, INC.     |
|----------------|---|
|                | t 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  |
|                | oment installation and/or upon type of completion or upon use being made of the gas well herein named. ereby request a one-year exemption from open flow testing for the DALLMAN-REAMS 3-10 |
|                | 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   |
| staff as       | necessary to corroborate this claim for exemption from testing.   |
| Date: <u>(</u> | 08/23/10  |
|                | Signature: <u>Hehad A. milli</u>  |
|                | 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.