KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

(See Instructions on Reverse Side) Type Test: Open Flow MAR 0 6 2003 Test Date: API No. 15 Deliverabilty 181-20325-0000 Company Lease **DALLMAN-REAMS** LOBO PRODUCTION, INC. 3-10 Location Section TWP RNG (E/W) Acres Attributed County SHERMAN 40W SW/SW/NE 10 88 Field Reservoir Gas Gathering Connection **GOODLAND GAS FIELD NIOBRARA** LOBO PRODUCTION, INC. Completion Date Plug Back Total Depth Packer Set at 1377' 8/19/03 Casing Size Weight Internal Diameter Set at Perforations 4 1/2" 13.50# 1407 1150' 1184' **Tubing Size** Weight Internal Diameter Set at Perforations Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / No SINGLE GAS Producing Thru (Annulus / Tubing) % Carbon Dioxide % Nitrogen Gas Gravity - G **ANNULUS** .59 Vertical Depth(H) Pressure Taps (Meter Run) (Prover) Size T.D. - 1407' 2" METER RUN Shut in __1/17 ____ 20_06 at 9:30 (PM) Taken 1/17 20 06 at 10:30 AM)(PM) Pressure Buildup: ___ 20 ____ at ____ Well on Line: ____ (AM) (PM) Taken_ __ 20 ___ at __ Started _ 25.00 **OBSERVED SURFACE DATA Duration of Shut-in** Hours Circle one: Pressure Casing Tubing Static / Orifice Flowing Well Head Meter Liquid Produced Differential Wellhead Pressure Duration Wellhead Pressure Dynamic Size Temperature Temperature (P,) or (P,) or (P,) Prover Pressure in (P_w) or (P_s) or (P_s) (Hours) (Barrels) (inches) Property t t psig (Pm) Inches H₂0 psig psia psig psia Shut-In 18 Flow **FLOW STREAM ATTRIBUTES** Circle one: Plate Flowing Flowing Press Gravity Deviation Metered Flow GOR Meter or Coeffiecient Temperature Extension Fluid Factor Factor (Cubic Feet/ Prover Pressure $(F_b)(F_p)$ Factor Gravity √ P_mxh Fpv (Mcfd) Barrel) Mcfd psia F., G_m (OPEN FLOW) (DELIVERABILITY) CALCULATIONS $(P_{n})^{2} = 0.207$ $(P_c - 14.4) + 14.4 =$ $(P_d)^2 =$ Choose famula 1 or 2: Backpressure Curve Open Flow $(P_a)^2 - (P_a)^2$ (P_a)² - (P_u)² 1. P.2-P.2 LOG of Slope = "n" formula n x LOG Deliverability Antilog - or----2. P.2-P.2 1. or 2. $(P_a)^2 - (P_d)^2$ Equals R x Antilog Assigned and divide P_c²- P_c² Standard Slope (Mcfd) divided by: P.2 - P.2 bv: 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 March _, ₂₀_06 the facts stated therein, and that said report is true and correct. Executed this the 1st Witness (if any)

| I decl | are under penalty of perjury under the laws of the state of Kansas that I am authorized to request |
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| | atus under Rule K.A.R. 82-3-304 on behalf of the operator LOBO PRODUCTION, INC. 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 recor | |
| of equipm | ent installation and/or upon type of completion or upon use being made of the gas well herein named. by request a one-year exemption from open flow testing for the |
| | 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 |
| | ner agree to supply to the best of my ability any and all supporting documents deemed by Commission ecessary to corroborate this claim for exemption from testing. |
| Date: <u>3/1</u> | /06 |
| | Signature: Kichard M. 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.