Form G-2
(Rev. 7/03)

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

*(See Instructions on Reverse Side)*

Type Test:
- [ ] Open Flow
- [ ] Deliverabilty

Test Date:

API No. 15
15-007-23591 - 0000

| Company | Lease | Well Number |
|---|---|---|
| Lotus Operating Company, LLC | Suzie | 4 |

| County | Location | Section | TWP | RNG (E/W) | Acres Attributed |
|---|---|---|---|---|---|
| Barber | NE SW SW SW | 30 | 34S | 11W | 10 |

| Field | Reservoir | Gas Gathering Connection |
|---|---|---|
| Stranathan | Mississippi | ONEOK |

| Completion Date | Plug Back Total Depth | Packer Set at |
|---|---|---|
| 10/15/2010 | 5240 | NONE |

| Casing Size | Weight | Internal Diameter | Set at | Perforations | To |
|---|---|---|---|---|---|
| 5 1/2" | 14# | 5.012 | 5286 | 4719 | 4760 |

| Tubing Size | Weight | Internal Diameter | Set at | Perforations | To |
|---|---|---|---|---|---|
| 2 7/8" | 6.5# | 2.441 | 4841 | | |

| Type Completion (Describe) | Type Fluid Production | Pump Unit or Traveling Plunger? Yes / No |
|---|---|---|
| Acid & Frac | oil & water | yes |

| Producing Thru (Annulus / Tubing) | % Carbon Dioxide | % Nitrogen | Gas Gravity - $G_g$ |
|---|---|---|---|
| Annulus | | | .6398 |

Vertical Depth(H) | Pressure Taps | (Meter Run) (Prover) Size

Pressure Buildup: Shut in 12/15 20 10 at 8:00 AM (AM) (PM) Taken 12/16 20 10 at 8:00 AM (AM) (PM)

Well on Line: Started _____ 20 ___ at _____ (AM) (PM) Taken _____ 20 ___ at _____ (AM) (PM)

## OBSERVED SURFACE DATA

Duration of Shut-in _____ Hours

| Static / Dynamic Property | Orifice Size (inches) | Circle one: Meter Prover Pressure psig (Pm) | Pressure Differential in Inches $H_2O$ | Flowing Temperature t | Well Head Temperature t | Casing Wellhead Pressure ($P_w$) or ($P_t$) or ($P_c$) psig | Casing Wellhead Pressure psia | Tubing Wellhead Pressure ($P_w$) or ($P_t$) or ($P_c$) psig | Tubing Wellhead Pressure psia | Duration (Hours) | Liquid Produced (Barrels) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Shut-In | | | | | | 5 | 19.4 | | | | |
| Flow | | | | | | | | | | | |

## FLOW STREAM ATTRIBUTES

| Plate Coeffiecient ($F_b$) ($F_p$) Mcfd | Circle one: Meter or Prover Pressure psia | Press Extension $\sqrt{P_m x h}$ | Gravity Factor $F_g$ | Flowing Temperature Factor $F_{ft}$ | Deviation Factor $F_{pv}$ | Metered Flow R (Mcfd) | GOR (Cubic Feet/ Barrel) | Flowing Fluid Gravity $G_m$ |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |

## (OPEN FLOW) (DELIVERABILITY) CALCULATIONS

$(P_a)^2$ = 0.207

$(P_c)^2$ = _____ : $(P_w)^2$ = _____ : $P_d$ = _____ % $(P_c - 14.4) + 14.4$ = _____ : $(P_d)^2$ = _____

| $(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$ | $(P_c)^2 - (P_w)^2$ | Choose formula 1 or 2: 1. $P_c^2 - P_a^2$ 2. $P_c^2 - P_d^2$ divided by: $P_c^2 - P_w^2$ | LOG of formula 1. or 2. and divide by: $\frac{P_c^2 - P_w^2}{}$ | Backpressure Curve Slope = "n" -or- 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 1st day of March, 20 11.

RECEIVED
MAR 03 2011
KCC WICHITA

Witness (if any)

For Company

For Commission

Checked by

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 Lotus Operating Company, LLC 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 Suzie #4 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: 03/01/2011

Signature: 

Title: Managing Member

**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.

# PRODUCTION REPORT

## LOTUS OPERATING CO., L.L.C.

Office (316) 262-1077 Fax (316) 219-1217

**Suzie lease**
Section 30-T34S-R11W
Barber County, Kansas

Production before: 2-3 BOPD, 20 MCFG. (Production rates down due to higher than normal line pressures)

| | |
|---|---|
| 11/30/10 | Start well late afternoon. |
| 12/1/10 | 33 BO, (filled heater treater – 20 BO), 166 MCFG, 137 BW. |
| 12/2/10 | 37 BO, 151 MCFG, 189 BW |
| 12/3/10 | 72 BO, 148 MCFG, 172 BW, CP: 3# |
| 12/4/10 | 30 BO, 140 MCFG, 164 BW, CP: 3# This volume of fluid is about a 80% pump efficiency. |
| 12/5/10 | 30 BO, 131 MCFG, 162 BW, CP: 3# |
| 12/6/10 | 21 BO, 124 MCFG, 157 BW, CP: 3# |
| 12/7/10 | 23 BO, 123 MCFG, 165 BW, CP: 3#. The gas is coming up the tubing. With no casing pressure the back side must be standing completely full of fluid. |
| 12/8/10 | 27 BO, 130 MCFG, 175 BW CP: 3# Fluid level shot: 3779' FIH. Speed up PU from 11 to 14 SPM |
| 12/9/10 | 28 BO, 138 MCFG, 190 BW, CP: 3# |
| 12/10/10 | 28 BO, 138 MCFG, 199 BW, CP: 3# |
| 12/11/10 | 28 BO, 130 MCFG, 205 BW, CP: 2# |
| 12/12/10 | 27 BO, 130 MCFG, 194 BW, CP: 2# |
| 12/13/10 | 25 BO, 123 MCFG, 184 BW, CP: 2# |
| 12/14/10 | 27 BO, 110 MCFG, 189 BW, CP: 2# |
| 12/15/10 | 28 BO, 110 MCFG, CP: 2# Start up #1 & #3. Water going to disposal. |
| 12/16/10 | 27 BO, 154 MCFG, CP: 2# Start up #2 Fluid level shot: 2514' FIH |
| 12/17/10 | 0 BO, 92 MCFG. Pulling #4 to install bigger downhole pump and slow PU down – a lot of stress on the rods |
| 12/18/10 | 22 BO, 92 MCFG, CP: 850# |
| 12/19/10 | 50 BO, 324 MCFG, CP: 600# |
| 12/20/10 | 60 BO, 348 MCFG, CP: 610# |
| 12/21/10 | 67 BO, 330 MCFG, CP: 590# |
| 12/22/10 | 58 BO, 330 MCFG, CP: 550# |
| 12/23/10 | 55 BO, 300 MCFG, CP: 520# |
| 12/24/10 | 62 BO, 330 MCFG, CP: 480# |
| 12/25/10 | 58 BO, 300 MCFG, CP: 470# |
| 12/26/10 | 46 BO, 267 MCFG, CP: 460# |
| 12/27/10 | 50 BO, 260 MCFG, CP: 450# |
| 12/28/10 | 50 BO, 260 MCFG, CP: 450# |
| 12/29/10 | 46 BO, 250 MCFG, CP: 440# |
| 12/30/10 | 50 BO, 250 MCFG, CP: 440# |
| 12/31/10 | 43 BO, 248 MCFG, CP: 430# |
| 1/1/11 | 52 BO, 270 MCFG, CP: 400# |
| 1/2/11 | 33 BO, 230 MCFG, CP: 420# Open #4 choke a little |
| 1/3/11 | 73 BO, 380 MCFG, CP: 200# |
| 1/4/11 | 38 BO, 380 MCFG, CP: 200# |
| 1/5/11 | 42 BO, 330 MCFG, CP: 200# |
| 1/6/11 | 43 BO, 310 MCFG, CP: 190# |
| 1/7/11 | 43 BO, 300 MCFG, CP: 180# |
| 1/8/11 | 45 BO, 292 MCFG, CP: 160# |
| 1/9/11 | 40 BO, 280 MCFG, CP: 150# |

Suzie cont:

| | |
|---|---|
| 1/11/11 | 42 BO, 265 MCFF, CP: 160# |
| 1/12/11 | 40 BO, 258 MCFG, CP: 160# |
| 1/13/11 | 38 BO, 239 MCFG, CP: 150# |
| 1/14/11 | 37 BO, 250 MCFG, CP: 150# |
| 1/15/11 | 37 BO, 240 MCFG, CP: 150# |
| 1/16/11 | 35 BO, 232 MCFG, CP: 150# |
| 1/17/11 | 35 BO, 225 MCFG, CP: 150# |
| 1/18/11 | 35 BO, 222 MCFG, CP: 150# |
| 1/19/11 | 33 BO, 210 MCFG, CP: 150# |
| 1/20/11 | 33 BO, 196 MCFG, CP: 150# |
| 1/21/11 | 29 BO, 199 MCFG, CP: 150# |
| 1/22/11 | 32 BO, 199 MCFG, CP: 150# |
| 1/23/11 | 30 BO, 194 MCFG, CP: 150# |
| 1/24/11 | 32 BO, 192 MCFG, CP: 150# |
| 1/25/11 | 32 BO, 190 MCFG, CP: 150# |
| 1/26/11 | 30 BO, 185 MCFG, CP: 150# |
| 1/27/11 | 30 BO, 180 MCFG, CP: 150# |
| 1/28/11 | 33 BO, 185 MCFG, CP: 150# |
| 1/29/11 | 32 BO, 182 MCFG, CP: 150# |
| 1/30/11 | 26 BO, 187 MCFG, CP: 150# |
| 1/31/11 | 29 BO, 177 MCFG, CP: 150# |
| 2/1/11 | 27 BO, 198 MCFG, CP: 150# |

From previous well history, I suspect the #4 Suzie will go to about 20-22 BOPD and the gas will stabilize out at about 130 MCFGPD. If ONEOK gets the line pressures down well see a slightly higher stable rate of production.

If there any major changes, I will send out another report.

**END OF PRODUCTION REPORTS**