KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Deliverability	Deliverability	Type Test:			(See Instruct	ions on Re	verse Side	e)			
Delivereality 12/22/2010 12/3-20490-0000 Type Ty	Deliverability 12/22/2010 023-20490-0000 Corporatory Priority Oil & Gas LLC Upinger 3-18 Corporation Section Section SS 41 Ascres Attributed Ascreen Ascres Attributed Ascres Attributed Ascres Attributed	✓ Open Flow									•	
Control Cont	Country Coun	Deliverabilty		•								
Location S/2 N/2 NE 18 5S 41 Reservoir Beservoir Beserv	Country Chery Creek Chery Creek Reservoir Beecher Island Reservoir		as LLC		IZIZZIZ			er	020	,	····	
System	Cheyenne S/2 N/2 NE 18 5S 41 Fiscal Performance of the Property Creek Beecher Island Priority Oil & Gas LLC Competend Date Assigned Connection Beecher Island Priority Oil & Gas LLC Competend Date Assigned Connection Priority Oil & Gas LLC Competend Date Assigned Connection Priority Oil & Gas LLC Competend Date Assigned Connection Date A LSC Table Size A LSC Competend Date A LSC Table Size A LSC Competend Date A LSC Table Size A LSC Connection Date A LSC Table Size A LSC Table	_		on	Section				RNG (E/V	()	P	· · · · · · · · · · · · · · · · · · ·
Priority Oil & Gas LLC Priority Oil & Gas LLC Packer Set at Packer Set	Cherry Creek Beecher Island Priority Oil & Cas LLC Completion Date 04/20/03 1441 Packer Set at 1441 Packer				18				41			
Author A	OA/28/IO3 1441 A 5 in 10.5 # 4.052 Internal Diameter Set at Perforations To 10.5 # 4.052 Internal Diameter Set at 1492 KB 1298 1334 Tubing Size Weight Internal Diameter Set at 1492 KB 1298 1334 Tubing Size Weight Internal Diameter Set at 1492 KB 1298 1334 Tubing Size Weight Internal Diameter Set at Perforations To 1000 Pump Unit or Traveling Plunger? Yes / 600 Co2 Frac none Type Completion (Describe) Type Fluid Production Pump Unit or Traveling Plunger? Yes / 600 Co2 Frac none Producing Thru (Annulus / Tubing) % Carbon Dioxide % Nitrogen Gas Gravity - G, Casting 27 4.85 5948 Pressure Buildup: Shut in 12/21 20 10 at 1:16 (AM) (PM) Taken 20 at (AM) (PM) Well ton Line: Started 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (PM) Well ton Line: Started 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (P											
10.5 # 4.052	## 4.052 ## 14.052					k Total Dept	h ·		Packer Se	et at		
Type Fluid Production Pump Unit or Traveling Plunger? Yes / © Prosure Traveling Prosure Traveling Plunger? Yes / © Prosure Traveling Plunger? Yes / O Prosur	Type Completion (Describe) Type Fluid Production Type Completion (Describe) Type Guard Production Type Fluid P					Diameter						
Comparison Continue Continu	Producing Thru (Annulus / Tubing) % Carbon Dioxide % Nitrogen 4.85 5946 Space Vertical Depth(H) Pressure Buildup: Shut in 12/21 20 10 at 1:16 AM/(FM) Taken 20 at (AM) (PM) Well on Line: Started 12/22 20 10 at 3:29 AM/(FM) Taken 20 at (AM) (PM) Well on Line: Started 12/22 20 10 at 3:29 AM/(FM) Taken 20 at (AM) (PM) Well on Line: Started 12/22 20 10 at 3:29 AM/(FM) Taken 20 at (AM) (PM) Well represent the started 12/22 AM/(FM) Taken 20 at (AM) (PM) Well represent the		Weigh	ıt	Internal E	Diameter	Set at		Perforations		Ťo	
Sing 1.27	Vertical Depth(H) Pressure Buildup: Shut in 12/21 20 10 at 1:16 (AM) (PM) Taken 20 at		Describe)	,		d Production	1		Pump Uni	t or Traveling	Plunger? Yes	/ (16)
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 first fill and that he has knowledge of filed and contacts of the fill and conta	Vertical Depth(H) Pressure Taps (Meter Run) (Prover) Size 2 in. Pressure Buildup: Shut in 12/21 20 10 at 1:16 (AM) (PM) Taken 20 at (AM) (PM) Well on Line: Starled 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (PM) Static / Orifice Size Meter Differential Flowing Inches H_0 Diffe	Producing Thru (Ar	nulus / Tubing	g)	% C	arbon Dioxi	de			n		ð
SSURE Buildup: Shut in 12/21 20 10 at 1:16 (AM) (PM) Taken 20 at (AM) (PM) If on Line: Started 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours (AM) (PM) Observed Surface DATA Duration of Shut-in 26.22 Hours (AM) (PM) Observed Surface DATA Duration of Shut-in 26.22 Hours (AM) (PM) Observed Surface DATA Duration of Shut-in 26.22 Hours (AM) (PM) Observed Surface DATA Duration of Shut-in 26.22 Hours (AM) (PM) Observed Surface DATA Duration of Shut-in 26.22 Hours (AM) (PM) Temperature Femperature Fe	Pressure Buildup: Shut in 12/21 20 10 at 1:16 (AM/PM) Taken 20 at (AM) (PM) Well on Line: Started 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (PM) OBSERVED SURFACE DATA Duration of Shut-in 26:22 Hours Static / Orifice Size Property (inches) Pressure palg (Pm) Inches H ₀ 0 Pressure palg (Pm) Prover Pressure palg (Pm) Pressure palg (casing							4.85			<u> </u>
OBSERVED SURFACE DATA Ouration of Shut-in 26.22 Hours Alic / Orifice and Size party (inches) Pressure paig (Pm) Inches H ₂ 0 Pressure paig (Pm) Pm x h Pressure paig (Pm) Pm x h Pressure paig (Pm) Pr	Well on Line: Stated 12/22 20 10 at 3:29 (AM) (PM) Taken 20 at (AM) (PM) OBSERVED SURFACE DATA 20 Am CM Casing Casing Casing Company Casing Casing Company Casing Casing Company Casing Cas	Vertical Depth(H)				Pres	sure Taps					
OBSERVED SURFACE DATA Duration of Shut-in 26.22 Hours altic / Orflice Meter Meter (inches) Prover Pressure perty (inches) Hours Pressure posig (Pm) Inches H ₂ 0 Temperature in Inches H ₂ 0 Temperature posig (Pm) Inches H ₂ 0 Temperature in Temperature in Inches H ₂ 0 Temperature in Temperature in Inches H ₂ 0 Temperature in Temperatu	Static / Orifice State / Property (inches) Pressure Pressure Property (inches) Pressure Pressure Pressure Property (inches) Pressure Pre	Pressure Buildup:	Shut in				(AM)(PM)	Taken		20	at	(AM) (PM)
Server Server Server Server (inches) Continue Circle one: Meter Prover Pressure Prover Pressure Prover Pressure In In In In In In In I	Static / Orifice Dynamic Dynamic Size Property (Inches) Size Property Size Property Size Property Size Size Size Size Size Size Size Size	Well on Line:	Started 12/2	22 2	0 10 at 3	:29	(AM) (PM)	Taken		20	at	(AM) (PM)
Meter Prover Pressure perty (inches) Prover Pressure perty Prover Pressure perty Prover Pressure perty Prover Pressure Pressure Prover Pressure Prover Pressure Prover Pressure Pre	Static Orifice Orifi		,			OBSERVE	D SURFAC	E DATA			Duration of Shut-i	n 26.22 Hours
Size perty (inches) Prover Pressure psig (Pm) Inches H ₂ 0 Inches H ₂ 0 Inches H ₂ 0 Inches H ₂ 0 Inches H ₂ 0 Inche	Dynamic Circle one Property Propert	Static / Orifice	1		Flowing	Well Head	į.	-	ı	•		Limited Dendunced
perty (inches) psig (Pm) Inches H₂0	Shut-In Inches H ₂ 0 Peig psie psig psig psie psig psie psig psie psig psie psig	Dynamic Size	1	1	Temperature	Temperature	1		1			1 '
FLOW STREAM ATTRIBUTES Plate coefficient coefficient of the coefficient position of the coefficient of the	FLOW STREAM ATTRIBUTES Plate Coefficient (F ₂)(F ₂) Meter or prover Pressure psia (P ₂) ² = (P ₂) ² = (P ₂) ² (P ₂) (P	Property (inches)	psig (Pm)	Inches H ₂ 0	τ	t					-	
FLOW STREAM ATTRIBUTES Plate officient of (F _p) (F _p) Prover Pressure psia (OPEN FLOW) (DELIVERABILITY) CALCULATIONS Peg2 = : (P _w) ² = * (P _c -14.4) + 14.4 = : (P _d) ² = * (P _c) ² + P _c * _	FLOW STREAM ATTRIBUTES Plate Coefficient (F _p)(F _p) Meter or Prover Pressure psia	Shut-In				4						
FLOW STREAM ATTRIBUTES Plate officient of (F _p) (F _p) Prover Pressure psia (OPEN FLOW) (DELIVERABILITY) CALCULATIONS Peg2 = : (P _w) ² = * (P _c -14.4) + 14.4 = : (P _d) ² = * (P _c) ² + P _c * _	FLOW STREAM ATTRIBUTES Plate Coefficient (F _p)(F _p) Meter or Prover Pressure psia	Flow 500					52	66.4				
Plate officient officient of psia $ P = $	Plate Coefficient (F _b)(F _b) Meter or Prover Pressure psia P = Sextension (F _b)(F _b) P _m xh P _m	1.000			L	FLOW STR	!		<u></u>	J	I	L
Copen Flow) (Deliverability) Calculations (P _a) (P _p) (Coefficient (F _b)(F _f) Meter or Prover Pressure plan (P _c) ² = (P _c) ² = P _c =	Dista	Circle one:						<u> </u>			Flowing
(P _b) (F _p) (P _p) (P _p) (Mcfd) Prover Pressure psia P _m x h F _g Factor F _{t1} F _{pv} (Mcfd) Barrel) Gravity G _m (OPEN FLOW) (DELIVERABILITY) CALCULATIONS (P _a) ² = 0.207 (P _c) ² = : P _d = % (P _c - 14.4) + 14.4 = : (P _d) ² = P _c) ² - (P _g) ² (P _c) ² (P _c) ² - P _c ² divided by: P _c ² - P _c ² and divided by: P _c ² - P _w ² and divided b	(P _c) ² = : (P _w) ² = : P _d = % (P _c - 14.4) + 14.4 = : (P _d) ² = Open Flow (Mcfd) (P _c) ² - (P _d) ² (P _c) ² -	i					-		I .		1	et/ Fluid
(OPEN FLOW) (DELIVERABILITY) CALCULATIONS $P_{o} = P_{o} = P_$	(OPEN FLOW) (DELIVERABILITY) CALCULATIONS (P _c) ² = : (P _w) ² = : P _d = % (P _c -14.4) + 14.4 = : (P _d) ² = Open Flow (P _c) ² · (P _a) ²	(' b/ \' p/		✓ P _m xh							1 '	Gravity
P _c) ² - (P _a) ² (P _c	P _c) ² =	MCIO					'11				1,000	- m
P _c) ² - (P _a) ² (P _c	P _c) ² =		<u></u>									
Choose farmula 1 or 2: 1. P _c ² - P _a ² or P _c) ² - (P _d) ² 2. P _c ² - P _d ² divided by: P _c ² - P _w ² Port or P _c) ² - (P _d) ² 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	Choose formula 1 or 2: 1. P _c ² - P _a ² or (P _c) ² - (P _d) ² 2. P _c ² - P _a ² divided by: P _c ² - P _w ² Deliverability Slope = "n" Assigned Standard Slope Ncfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia Deliverability 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 Number of the processing Curve Slope = "n" Assigned Standard Slope Number 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 RECEIVE			٠.	(OPEN FL	OW) (DELIV	ERABILITY	() CALCUI	LATIONS		(P _a) ²	= 0.207
P _c) ² - (P _a) ² (P _c) ² - (P _w) ² 1. P _c ² - P _a ² formula 1. or 2. and divide by: P _c ² - P _w ² P _c ² P _c ² P _c P _w P _c P _c P _w P _c P _c P _w P _c P _c P _c P _w P _c P _c P _w P _c	Open Flow Mode 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 Authority and the facts stated therein, and that said report is true and correct. Executed this the Authority and the facts stated therein, and that said report is true and correct. Executed this the Authority and the facts of the company and th	$(P_c)^2 = $:	(P _w) ² =	:	P _d =		% (1	P _c - 14.4) -	+ 14.4 =	:	(P _d) ²	=
or P _c) ² - (P _d) ² en Flow Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia	Open Flow Mcfd @ 14.65 psia Deliverability Assigned Standard Slope Note 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 Standard Slope Nitness (if each) Nitness (if each) Nitness (if each)	(D)2 (D)2	/D \2 _ /D \2		1				e	Γ٦		1 ' 1
en Flow Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia Mcfd @ 14.65 psia Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia	Open Flow Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia 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 2164 day of December . 20 10. Mitness (if any) Witness (if any)	or	(F _c) - (I'w)		formula		or		n x LOG		Antilog	1 1
en 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	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 Adaptor RECEIVE	(P _c) ² - (P _d) ²				P _c ² -P _w ²						
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 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			c w						*********		
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 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	`				·				,		
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 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				<u> </u>						<u> </u>	
	the facts stated therein, and that said report is true and correct. Executed this the 26 day of December, 20 10. Witness (if any). Witness (if any).	Open Flow		Mcfd @ 14	.65 psia		Deliveral	bility			Mcfd @ 14.65 psi	а
	he facts stated therein, and that said report is true and correct. Executed this the 26 day of December, 20 10. Witness (if any). Witness (if any).	The undersion	ed authority o	n behalf of the	Company	states that h	ne is dulv a	uthorized	to make the	e above rep	ort and that he ha	s knowledge of
facts stated therein, and that said report is true and correct. Executed this the 215 day of December , 20 10	Million A. Gray RECEIVE	-										
Milion A. Frag RECEIVED				·					Meles	· A.	Gran	RECEIVED
	DEC 2.7.2		Witness ((if any)								DEC 2 7 20
Ob a also 2 h	For Commission Checked by KCC WICH		For Comm	nission						Che	•	KCC WICHI

•	
	ler penalty of perjury under the laws of the state of Kansas that I am authorized to request
exempt status und	der Rule K.A.R. 82-3-304 on behalf of the operator Priority Oil & Gas LLC
and that the fore	going pressure information and statements contained on this application form are true and
correct to the bes	t of my knowledge and belief based upon available production summaries and lease records
of equipment inst	allation and/or upon type of completion or upon use being made of the gas well herein named.
I hereby requ	est a one-year exemption from open flow testing for the Uplinger 3-18
gas well on the gi	rounds that said well:
(Check	
	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 care	e to supply to the best of my ability any and all supporting documents deemed by Commission
	y to corroborate this claim for exemption from testing.
stari as riecessai	y to corroborate this claim for exemption from testing.
Date: <u>12/21/201</u>	<u>)</u>
•	
	Signature: Milion A. Areg
	Title: Business Manager

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 signed and dated on the front side as though it was a verified report of annual test results.

DEC 27 2010

KCC WICHITA