KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test	t:				(See Instruc	tions on Re	everse Side	θ)					
Open Flow					Test Date: API No. 15									
Deliverabilty					12/7/2010				3-20461 - 00	00				
Company Priority Oil & Gas LLC					Lease Oschner				Well Numl 1-18					
County Location Cheyenne SW NE SE					Section TWI 18 4S			RNG (E/W) 41				Acres Attributed		
Field Cherry Creek					Reservoir Beecher Island			Gas Gathering Connection Priority Oil & Gas LLC						
Completion Date 04/02/03			Plug Bac 1398	Plug Back Total Depth 1398			Packer	Set at						
Casing Size 4.5 in			Weight 10.5 #		Internal Diameter 4.052		Set at 1449 KB		Perforations 1277		то 1310			
Tubing Size none			Weight		Internal (Diameter	Set	Set at		Perforations		То		
Type Con co2 Fra		n (D	escribe)		Type Flui none	d Productio	n	· · · · · · · · · · · · · · · · · · ·	Pump Ui	nit or Traveling	Plunger? Yes	/ 1 (16)		
Producing casing	Thru	(Алі	nulus / Tubing)		arbon Diox	ide	•	% Nitrogen 5.32		Gas Gravity - G _s .5912			
Vertical Depth(H)				Pressure Taps						Run)(P	rover) Size			
Pressure Buildup: Shut in			Shut in12/6	3 2	10 10 at 1	10 at 1:49		(AM) (PM) Taken_		20				
Well on Line:			Started 12/7	/7 20 10 at 1:44			(AM)(PM)	(PM) Taken 20			at (AM) (PM)			
	~		1		1	OBSERVE	ED SURFAC				Ouration of Shu	23	92_Hours	
Static / Dynamic Property	namic Size		Circle one: Meter Prover Pressui psig (Pm)	Pressure Differential in Inches H ₂ 0	Flowing Well Head Temperature Temperature t t		1 Wallhood Proceura		Tubing Wellhead Pressure (P_w) or (P_1) or (P_0) psig psia		Duration (Hours)		d Produced Barrels)	
Shut-In														
Flow	.50	0					74	88.4						
					<u> </u>	FLOW STE	REAM ATTR	RIBUTES		· · · · · · · · · · · · · · · · · · ·			1	
Plate Coeffieclent (F _b) (F _p) Mcfd		Circle one: Meter or Prover Pressure psia		Press Extension P _m x h	Extension Fact		Flowing Temperature Factor F _r	emperature Fa		Metered Flow R (Mcfd)	GOP (Cubic F Barre	eel/	Flowing Fluid Gravity G _m	
			·											
(P _e)² =		_:	(P _w) ² =	:	(OPEN FL		ERABILITY (1	/) CALCUL P _c - 14.4) +		<u></u> :) ² = 0.2	07	
$(P_c)^2 - (P_e)^2$ or $(P_c)^2 - (P_d)^2$		(P	P _c) ² - (P _w) ²	1. P _c ² · P _d ² 2. P _c ² · P _d ² ivided by: P _c ² · P _d ²	LOG of formula 1. or 2. and divide	P _c ² . P _s ²	Backpressi Slope 0i 2. p 2 Assig		l n x	LOG [Antilog	Open Flow Deliverability Equals R x Antilog (Mc(d)		
				avuota ay: Fe - Fw	by:		Giarric	lard Slope		_				
······································														
Open Flor	N			Mcfd @ 14.	65 psia		Deliverat	oility		<u> </u>	Acfd @ 14.65 ps	iia		
		_	•		· -		•	$\sim 1 - 1$		^	t and that he h			
ie facts si	ated t	nerei	n, and that sai	id report is true	and correc	t. Executed	this the <u>(</u>	dist M.	day of	<u>Decem</u> L H	· /	, ,	20 <u>[O</u> .	
ar a sala sandaha sala a d			Witness (if	eny)			-	<u>rw</u>	von	For Co	mpany	RI	ECEIVE	
			For Commis	ssion			-			Check	ed by	DE	C 2 7 20	

KCC WICHITA

exempt state	e under penalty of perjury under the laws of the state of Kansas that I am authorized to request us under Rule K.A.R. 82-3-304 on behalf of the operator Priority Oil & Gas LLC of foregoing pressure information and statements contained on this application form are true and e best of my knowledge and belief based upon available production summaries and lease records
l hereby	nt installation and/or upon type of completion or upon use being made of the gas well herein named. request a one-year exemption from open flow testing for the Oschner 1-18 the grounds that said well:
I further	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 agree to supply to the best of my ability any and all supporting documents deemed by Commission essary to corroborate this claim for exemption from testing.
	Signature: Mulin A Arcolombia. 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 must be signed and dated on the front side as though it was a verified report of annual test results.

RECEIVED

DEC 2 7 2010