

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
08-03-2011

API No. 15
007-22561-0000

Company Hayes Oil & Gas, LLC		Lease Schmidt		Well Number 1-36	
County BA	Location C,S/2SENE	Section 36	TWP 32S	RNG (E/W) 10W	Acres Attributed 160
Field Little Sandy		Reservoir Mississippi	Gas Gathering Connection Oneok Field Services		
Completion Date 05-20-1998		Plug Back Total Depth 4573'	Packer Set at None		
Casing Size 5.50	Weight 14#	Internal Diameter 5.012	Set at 4753'	Perforations 4306'	To 4318'
Tubing Size 2.375	Weight 4.70	Internal Diameter 1.995	Set at 4453'	Perforations Open	To
Type Completion (Describe) Single		Type Fluid Production Water, oil	Pump Unit or Traveling Plunger? Yes / No Pumping		
Producing Thru (Annulus / Tubing) Annulus		% Carbon Dioxide	% Nitrogen	Gas Gravity - G _g	
Vertical Depth(H) 4312'		Pressure Taps		(Meter Run) (Prover) Size	
Pressure Buildup: Shut in 08-02 20 11 at 10:00 (AM) (PM)		Taken 08-03 20 11 at 11:00 (AM) (PM)			
Well on Line: Started 08-03 20 11 at 11:00 (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 (P _m)	Pressure Differential in Inches H ₂ O	Flowing Temperature t	Well Head Temperature t	Casing Wellhead Pressure (P _w) or (P _i) or (P _c)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-in						420				24	
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _s) (F _a) Mcfd	Circle one: Meter or Prover Pressure psia	Press Extension $\sqrt{P_m \times h}$	Gravity Factor F _g	Flowing Temperature Factor F _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_s)² = 0.207

(P_d)² = _____

(P _c) ² = _____	(P _w) ² = _____	P _d = _____ %	(P _c - 14.4) + 14.4 = _____				
(P _c) ² - (P _s) ² or (P _w) ² - (P _s) ²	(P _d) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _s ² 2. P _w ² - P _s ² divided by: P _d ² - P _w ²	LOG of formula 1. or 2. and divide by: $P_c^2 - P_w^2$	Backpressure Curve Slope = "n" ----- 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 _____ day of _____, 20_____.

Witness (if any)

For Commission

For Company

Checked by

RECEIVED
AUG 18 2011
KCC WICHITA

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 Hayes Oil & Gas, 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 Schmidt #1-36 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: 08-17-2011

Signature: *Dwayne F Hayes* RECEIVED
Title: Manager AUG 18 2011

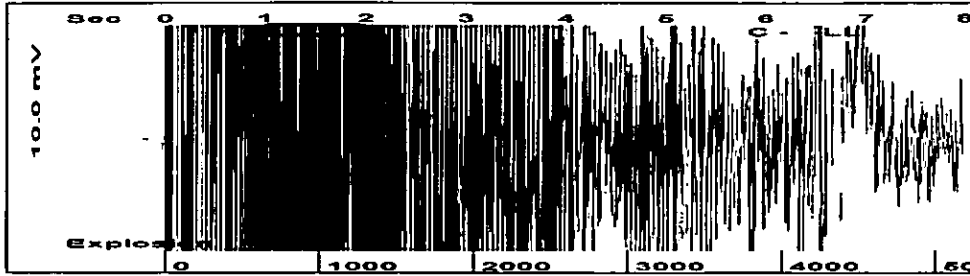
KCC WICHITA

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.

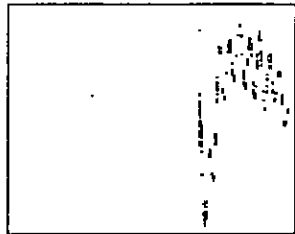
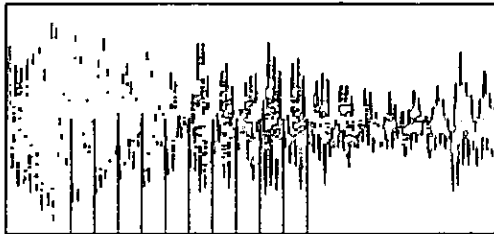
The G-2 form conveying the newest shut-in pressure reading shall be filed with the Wichita office no later than December 31 of the year for which it's intended to acquire exempt status for the subject well. The form must be signed and dated on the front side as though it was a verified report of annual test results.

Group: MyWells Well: SCHMIDT (acquired on: 08/03/11 15:09:43)



Filter Type High Pass Automatic Collar Count Yes Time 6.468 sec
 Manual Acoustic Velo 1284.12 ft/s Manual JTS/sec 20.6186 Joints 134.841 Jts
 Depth 4198.94 ft

[1.0 to 2.0 (Sec)]



Analysis Method: Automatic

Group: MyWells Well: SCHMIDT (acquired on: 08/03/11 15:09:43)

Production
 Current Potential
 Oil 0 0.0 BBL/D
 Water 35 62.1 BBL/D
 Gas 125 221.8 Mscf/D

IPR Method Vogel
 PBHP/SBHP 0.62
 Production Efficiency 56.4

Oil 25 deg.API
 Water 1.16 Sp.Gr.H2O
 Gas 0.67 Sp.Gr.AIR

Acoustic Velocity 1298.37 ft/s

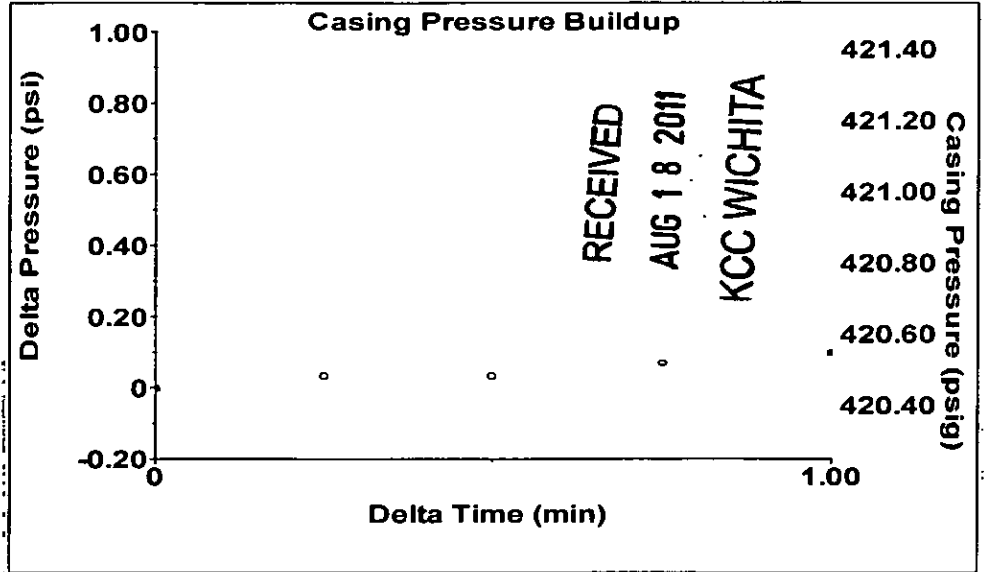
Pump Intake Depth (MD) 4298 ft
 Total Gaseous Liquid Column HT (TVD) 99 ft
 Equivalent Gas Free Liquid HT (TVD) 83 ft

Casing Pressure 420.4 psi (g)
 Casing Pressure Buildup 0.1 psi
 1.00 min
 Gas/Liquid Interface Pressure 466.0 psi (g)
 Liquid Level
 Main Depth to Liquid Level 4198.94 ft
 Formation Depth 4314 ft



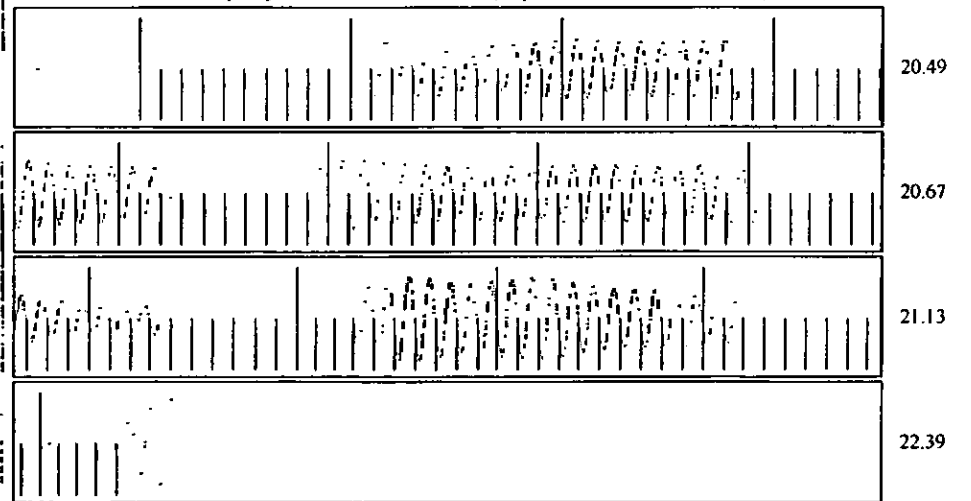
Producing
 Annular Gas Flow 4 Mscf/D
 %% Liquid 84 %
 Pump Intake Pressure 507.7 psi (g)
 Producing BHP 515.8 psi (g)
 Static BHP 835.3 psi (g)

Group: MyWells Well: SCHMIDT (acquired on: 08/03/11 15:09:43)



Change in Pressure 0.10 psi PT4212
 Range 0 - 1500 psi
 Change in Time 1.00 min

Group: MyWells Well: SCHMIDT (acquired on: 08/03/11 15:09:43)



Acoustic Velocity 1298.37 ft/s Joints counted 124
 Joints Per Second 20.8473 jts/sec Joints to liquid level 134.841
 Depth to liquid level 4198.94 ft Filter Width 18.6186 22.6186
 Automatic Collar Count Yes Time to 1st Collar 0.288 6.236