

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
February 5, 2012

API No. 15
075-20041 - 0000

Company DNR Oil & Gas Inc.		Lease Overton		Well Number 1	
County Hamilton	Location SWSE	Section 20	TWP 24S	RNG (E/W) 41W	Acres Attributed 640
Field Bradshaw		Reservoir Winfield		Gas Gathering Connection Oneok	
Completion Date 2/72		Plug Back Total Depth 2363'		Packer Set at None	
Casing Size 4 1/2"	Weight 9.5#	Internal Diameter	Set at 2365'	Perforations 2328'	To 2330'
Tubing Size 2 3/8"	Weight 4.7#	Internal Diameter	Set at 2333'	Perforations	To
Type Completion (Describe) Single		Type Fluid Production Gas		Pump Unit or Traveling Plunger? Yes / No Yes	
Producing Thru (Annulus / Tubing) Annulus		% Carbon Dioxide		% Nitrogen	
Vertical Depth(H)		Pressure Taps		Gas Gravity - G _g .8579	
Duration of Shut-in		Hours			
Pressure Buildup: Shut in	2/4	20	12	at 11:30	(AM) (PM) Taken 2/5
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 or Prover Pressure psig (Pm)	Pressure Differential in Inches H ₂ O	Flowing Temperature	Well Head Temperature	Casing Wellhead Pressure (P _w) or (P _t) or (P _c)		Tubing Wellhead Pressure (P _w) or (P _t) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In						119.0				24.17	
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _b) (F _p) 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

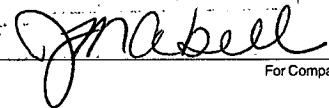
$(P_c)^2 =$ _____ : $(P_w)^2 =$ _____ : $P_d =$ _____ % $(P_c - 14.4) + 14.4 =$ _____ : $(P_a)^2 = 0.207$
 $(P_d)^2 =$ _____

$(P_c)^2 - (P_a)^2$ 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: $P_c^2 - P_w^2$	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 13th day of February, 20 12

Witness (if any)


For Company

RECEIVED

For Commission

Checked by

FEB 15 2012

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 DNR Oil & Gas Inc.

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 Overton #1 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: 2/13/12

Signature: JMabell
Title: Agent

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.

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FEB 15 2012

KCC WICHITA



DNR Oil & Gas Inc.

12741 E. Caley, Unit 142, Englewood, CO 80111

(303) 825-8956 • (303) 825-2968 (FAX)

December 23, 2011

Kansas Corporation Commission
Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202-3802

Attn: Mr. Jim Hemmen

Re: KCC Form G-2

Dear Mr. Hemmen:

Enclosed are KCC Form G-2 for DNR Oil & Gas Inc.'s wells Gregory Tate # and Scott #1 for 2011.

On November 30, 2011 I spoke with you on the telephone regarding our Overton #1 well also in the Bradshaw field which has been Shut In for quite some time. We decided to try and produce this well for the month of December. Our field people are having a hard time keeping it started, the KCC Form G-2 will be sent to you just as soon as they can get the well going and perform the test.

If you have any questions or need additional information, please do not hesitate to contact me at (303) 825-8956.

Sincerely,

Carrie Witzel

Carrie Witzel

CHIEF ADMIN

2/20/2011

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DEC 30 2011

KCC WICHITA