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

|  | :<br>en Flow<br>liverabil                  |  |   |            |  | Test Date                   | ):                            | tions on Re                        | verse Side   | API  | No. 15   | _                                     |                      |   |
|--|--|--|---|------------|--|-----------------------------|-------------------------------|------------------------------------|--|--|--|---------------------------------------|----------------------|---|
| Company  | ,  |  |   |            | <del></del>  | August                      | 12, 2011                      | Lease                              |  | 150  | 3321521000   | 00                                    | Well Nu              | ımber   |
| Castelli Exploration, Inc.   |  |  |   |            |  |                             | Gregg                         |                                    |  |  | #3-19  |                                       |                      |   |
| County Location Comanche SE NE NE NW                                 |  |  |   |            | Section<br>19  |                             | TWP<br>33S                    |                                    |  | w)   |  | ACIES /                               | Attributed           |   |
| Field<br>Shimer  |  |  |   |            | Reservoir<br>Mississ   |                             |                               | Gas Gathering Conne<br>Oneok       |  |  | ection   |                                       |                      |   |
| Completion Date 05/22/08   |  |  |   |            | Plug Baci<br>5067  | k Total Dep                 | th                            | Packer Set at                      |  | Set at                                     |  |                                       |                      |   |
| Casing S<br>4.5  | Casing Size Weight<br>4.5 10.5#            |  |   |            | Internal E   | Diameter                    |                               |                                    |  | Perforations<br>5022                       |  |                                       |                      |   |
| Tubing Size Weight 2 3/8"  |  |  |   | Internal D | Diameter   |                             | Set at Perfo<br>4994'         |                                    | rations  | То   |  |                                       |                      |   |
|  |  |  |   |            | Type Flui<br>Oil/Sal   | d Production<br>twater      | n                             | Pump Unit or Trave<br>Pumping Unit |  |  | Plunger? Yes   | / No                                  |                      |   |
|  | •  | (Anr   | nulus / Tubir   | ng)        |  | % C                         | arbon Dioxi                   | de                                 | -  | % Nitrog                                   | en   | Gas G                                 | ravity - (           | G,  |
| Annulus<br>Vertical D  |  | )  |   |            |  |                             | Pres                          | sure Taps                          |  |  |  | (Meter                                | Run) (P              | rover) Size   |
| Pressure   | Buildup                                    | ): ;   | Shut In AL  | igus       | st 11 2  | 11 at 8                     | :00                           | (AM) (PM)                          | Taken_A  | ıgust 12                                   | 2 20   | 11 at 8:00                            |                      | (AM) (PM)   |
| Well on L  | ine:                                       | ;  | Started   |            | 20   | ) at                        |                               | (AM) (PM)                          | Taken  |  | 20   | at                                    |                      | (AM) (PM)   |
|  |  |  |   |            |  |                             | OBSERVE                       | D SURFAC                           | E DATA   |  |  | Duration of Shut                      | - n                  | Hours   |
| Static /<br>Dynamic<br>Property                                      | Orillo<br>Size<br>(inche                   | .  | Circle one:  Meter Prover Pressure psig (Pm)                    |            | Pressure<br>Differential<br>in<br>Inches H <sub>2</sub> 0                                    | Flowing<br>Temperature<br>t | Well Head<br>Temperature<br>t | mperature (P <sub>w</sub> ) or (P  |  | Wellhea<br>(P <sub>w</sub> ) or            | ubing<br>ad Pressure<br>· (P <sub>t</sub> ) or (P <sub>g</sub> ) | Duration<br>(Hours)                   |                      |   |
| Shut-In  |  |  | ,   |            |  |                             |                               | psig<br>900                        | 914.4  | psig                                       | psla   |                                       | -                    |   |
| Flow   |  |  |   |            |  |                             |                               |                                    |  |  | _  |                                       | -                    |   |
| l  | <u> </u>                                   |  |   |            |  |                             | FLOW STF                      | !<br>REAM ATTR                     | IBUTES   | <u> </u>                                   | .1.  | · · · · · · · · · · · · · · · · · · · | <u>l</u>             | J   |
| Plate<br>Coefflecient<br>(F <sub>b</sub> ) (F <sub>p</sub> )<br>Mcfd |  | Circle one:<br>Meter or<br>Prover Pressure<br>psia |   |            | Press<br>Extension<br>✓ P <sub>m</sub> xh  |                             | rity                          | Temperature Fac                    |  | iation Metered Flow<br>ctor R<br>pv (Mcfd) |  | GOR<br>(Cubic Feet/<br>Barrel)        |                      | Flowing<br>Fluid<br>Gravity<br>G <sub>m</sub>       |
|  |  |  |   |            |  | (OPEN FL                    | OW) (DELIV                    | ERABILITY                          | ) CALCUL   | ATIONS                                     |  | (P <u>.</u>                           | ) <sup>2</sup> = 0.2 | 207   |
| (P <sub>c</sub> ) <sup>2</sup> =                                     |  | <u>:</u>   | (P <sub>w</sub> ) <sup>2</sup>                                  |            | :<br>pse formula 1 or 2;   | P <sub>d</sub> =            |                               | 7                                  | P <sub>c</sub> - 14.4) +                                 | 14.4 =                                     | <del></del> :  |                                       | )² =                 | <del></del> _                                       |
| -  | $(P_g)^2 - (P_g)^2$ or $(P_g)^2 - (P_g)^2$ |  | (P <sub>a</sub> ) <sup>2</sup> - (P <sub>w</sub> ) <sup>2</sup> |            | 1. $P_c^2 - P_d^2$ 2. $P_c^2 - P_d^2$ LOG of formula 1. or 2. and divide by: $P_c^2 - P_w^2$ |                             | Slope<br>                     |                                    | essure Curve<br>pe = "n"<br>- or<br>signed<br>lard Slope | nxl  | .og [ ]  | Antilog                               | Del<br>Equals        | pen Flow<br>liverability<br>s R x Antilog<br>(Mcfd) |
|  |  |  |   |            |  |                             |                               |                                    |  |  |  |                                       |                      |   |
|  |  |  |   |            |  |                             |                               |                                    |  |  |  |                                       | <u> </u>             |   |
| Open Flor  | w  |  |   |            | Mcfd @ 14.6  | 65 psia                     | ··· - · · · <u>-</u>          | Deliverat                          | oility   |  |  | Mcfd @ 14.65 ps                       | sia                  |   |
|  | •  |  | •   |            | ehalf of the<br>report is true   |                             |                               | •                                  |  |  | ecember  | rt and that he h                      |                      | riedge of 20 11 .                                   |
| 14015 5  | iatou (fi                                  | 3161   | n, and mat  | anu l      | iopoit is tide   | and correc                  | i. Exaculad                   | <u></u>                            | <b>→</b>   |  |  | , , —                                 |                      | RECEIVE   |
|  |  |  | Witness   | (if any    | r)   |                             | _                             | -                                  |  |  | Force  | ompany                                |                      | EB 1 6 2  |
|  |  |  | For Corn  | missio     | n  |                             |                               | •                                  |  | •  | Chec   | ked by                                |                      | CC WICH   |

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|--|--|
| exempt status under fand that the foregoin correct to the best of of equipment installat | penalty of perjury under the laws of the state of Kansas that I am authorized to request Rule K.A.R. 82-3-304 on behalf of the operator Castelli Exploration ag pressure information and statements contained on this application form are true and my knowledge and belief based upon available production summaries and lease records tion and/or upon type of completion or upon use being made of the gas well herein named. |
|  | a one-year exemption from open flow testing for the Gregg #3-19  |
| gas well on the groun  | nds that said well:  |
| is is is is  | a coalbed methane producer cycled on plunger lift due to water a source of natural gas for injection into an oil reservoir undergoing ER on vacuum at the present time; KCC approval Docket No 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: 12/11/11   | <del></del>  |
|  | Signature:   |

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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