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

| Type Test:   | . •                   |                   |  |   | (\$   | See Instruct | ions on Re   | verse Side,   | )                     |                             |                               | ·   |  |
|--|-----------------------|-------------------|--|---|---|--------------|--|---|-----------------------|-----------------------------|-------------------------------|---|--|
| Op   | en Flov               | ı                 |  |   | Test Date   | ,            |  |   | API                   | No. 15                      |                               |   |  |
| ✓ Del  | liverabi              | lty               |  |   | June 21,  |              |  |   |                       | 47000610                    | 000                           |   |  |
| Company<br>Castelli  |                       | ora               | tion, Inc.   |   |   |              | Lease<br>Kearne                                      | ey Pence  | 3                     |                             | #1                            | Vell Number   |  |
| County<br>Edward   | ls                    | Location<br>C E/2 |  |   | Section<br>35   |              | TWP<br>24S   |   | RNG (E/W)<br>16W      |                             | Acres Attributed              |   |  |
| Field<br>Wil   |                       |                   |  |   | Reservoir<br>Kinderhook   |              |  | Gas Gatherin<br>Lumen Er                                  |                       | hering Conne<br>Energy      | ection                        |   |  |
| Completic  |                       | 9                 |  | Plug Back Total Depti   |   | ih           | Packer Set at  |   | et at                 |                             |                               |   |  |
| Casing Si<br>5 1/2"  | ize                   | Weight            |  |   | Internal Diameter   |              | Set at<br>4366'                                      |   | Perforations<br>4284- |                             | то<br>4292                    |   |  |
| Tubing Size 2 3/8"   |                       | Weight            |  |   | Internal Diameter   |              | Set at<br>4285'                                      |   | Perforations          |                             | То                            |   |  |
| Type Con   |                       |                   | escribe)<br>Perforation                              | ns  | Type Fluid<br>Saltwa  | Production   | n  |   | Pump Ur<br>Plunge     |                             | Plunger? Yes                  | / No  |  |
|  |                       |                   | nulus / Tubing)                                      |   | % C   | arbon Dioxi  | de   |   | % Nitrog              | en                          | Gas Gra                       | ivity - G <sub>g</sub>                                      |  |
| Annulus  |                       |                   |  |   |   |              |  |   |                       |                             |                               |   |  |
| Vertical D   | epth(H                | )                 |  |   |   | Pres         | sure Taps  |   |                       |                             | (Meter F                      | Run) (Prover) Size  |  |
| Pressure   | Buildu                | );                | Shut In June   | 20 2  | 0_11_at_8:  | :00          | (AM) (PM)  | Taken_Ju  | ine 21                | 20                          | 11 at 8:00                    | (AM) (PM)   |  |
| Well on L  | ine:                  |                   | Started  | 2   | 0 at  |              | (AM) (PM)  | Taken   |                       | 20                          | at                            | (AM) (PM)   |  |
|  |                       |                   |  |   |   | OBSERVE      | D SURFAC   | E DATA  |                       |                             | Duration of Shut-             | nHours  |  |
| Static /<br>Dynamic<br>Property  | Orili<br>Siz<br>(inch | 8                 | Circle one:<br>Mater<br>Prover Pressure<br>psig (Pm) | Pressure<br>Differential<br>in<br>Inches H <sub>2</sub> 0   | ifferential in the properties of the properties |              | Duration<br>(Hours)                                  |   |                       |                             |                               |   |  |
| Shut-In  |                       |                   | paig (1 vii)   | menes riço  |   |              | 153  | 167.4   | psig                  | psia                        |                               |   |  |
| Flow   |                       |                   |  |   |   |              |  |   |                       |                             |                               |   |  |
|  |                       |                   |  |   | <del></del>   | FLOW STF     | REAM ATTE  | IBUTES  |                       |                             |                               |   |  |
| Plate<br>Coeffied<br>(F <sub>s</sub> ) (F<br>Moto                              | ient<br>,)            | Pro               | Circle one:<br>Mater or<br>over Pressure<br>psia     | Press<br>Extension<br>P <sub>m</sub> xh   | Grav<br>Fac<br>F  | tor          | Flowing<br>Temperature<br>Factor<br>F <sub>1</sub> , | Fa  | iation<br>etor<br>pv  | Metered Flov<br>R<br>(McId) | y GOR<br>(Cubic Fe<br>Barrel) | et/ Flowing Fluid Gravity G <sub>m</sub>                    |  |
|  |                       |                   |  |   |   |              |  |   |                       | <u></u> -                   |                               |   |  |
|  |                       |                   |  |   | (OPEN FL  | OW) (DELIV   | /ERABILITY   | ') CALCUL   | ATIONS                |                             |                               | 2 = 0.207   |  |
| (P <sub>e</sub> )2 =   |                       | _:                | (P <sub>w</sub> ) <sup>2</sup> =_                    | :<br>hoose formula 1 or 2   | P <sub>d</sub> =  |              | % (  | P <sub>c</sub> - 14.4) +                                  | 14.4 = _              | <u> </u>                    | (P <sub>d</sub> )             | ' =<br>T  |  |
| (P <sub>a</sub> ) <sup>2</sup> · (<br>or<br>(P <sub>a</sub> ) <sup>2</sup> · ( | - [                   | (1                | P <sub>0</sub> )*- (P_)*                             | 1. P <sub>e</sub> <sup>2</sup> -P <sub>e</sub> <sup>2</sup> 2. P <sub>e</sub> <sup>2</sup> -P <sub>e</sub> <sup>2</sup> wided by: P <sub>e</sub> <sup>2</sup> -P <sub>e</sub> | LOG of formula 1, or 2, and divide  | p,2. p,2     | Sid  | essure Curve<br>pe = "n"<br>- or<br>ssigned<br>dard Slope | n x                   | rog                         | Antilog                       | Open Flow<br>Deliverability<br>Equats R x Antilog<br>(McId) |  |
|  |                       |                   |  |   |   |              |  |   |                       |                             |                               |   |  |
|  |                       |                   |  |   | <u> </u>  |              |  |   |                       |                             |                               |   |  |
| Open Flo   | w                     |                   |  | Mcfd @ 14   | .65 psia  |              | Delivera   | bility  |                       |                             | Mcfd @ 14.65 ps               | ia  |  |
|  |                       | -                 |  |   |   |              |  |   |                       |                             | ort and that he ha            |   |  |
| the facts s  | stated t              | here              | in, and that sai                                     | d report is tru   | e and correc  | t. Executed  | d this the   |   | day of _              | /                           |                               | , 20 <u>11</u>  |  |
|  |                       |                   | Witness (if  | any)  |   |              |  | <u> </u>  | ~                     | D Cap                       | Company                       | RECEIVED  |  |
| <u></u>  |                       |                   | For Commis   | alon  |   |              |  |   |                       | Che                         | cked by                       | SEP 2 1 2011  |  |

|  | eclare under penalty of perjury under the laws of the state of Kansas that I am authorized to request t status under Rule K.A.R. 82-3-304 on behalf of the operator Castelli Exploration, Inc. |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  | at the foregoing pressure information and statements contained on this application form are true and   |  |  |  |  |  |  |  |  |
| orrect   | 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 Kearney Pence #1 |  |  |  |  |  |  |  |  |  |
|  | ell 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   |  |  |  |  |  |  |  |  |
| l fu   | urther agree to supply to the best of my ability any and all supporting documents deemed by Commission   |  |  |  |  |  |  |  |  |
| taff a   | s necessary to corroborate this claim for exemption from testing.  |  |  |  |  |  |  |  |  |
| )ata:  | 08/19/11   |  |  |  |  |  |  |  |  |
| ر ale.   | 50/10/11   |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  | Signature: The Comment   |  |  |  |  |  |  |  |  |
|  | Title: President   |  |  |  |  |  |  |  |  |

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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