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

| Type Test  | OIVE !  | 0   | (S                               | ice Instructi            | ons on Reve   | rse Side                                      | 15-                            | 119-10   | 307-00                                 | 00                            |
|--|---|---|----------------------------------|--------------------------|---|---|--------------------------------|--|--|-------------------------------|
| ✓   Open Flov                                      | ٧   |   | <b>.</b>                         |                          |   |   | .)                             | 111 1-   | -, -,                                  |                               |
| Deliverabi   | lty   |   | Test Date: 9-4-11                |                          |   |   |                                |  |  |                               |
| Company<br>Red Hills Reso                          | urces, Inc.   |   |                                  |                          | Lease<br>Theis C  |   |                                |  | 1                                      | Vell Number                   |
| County Location Meade SW SW NE                     |   | Section 1   |                                  | TWP<br>34S               |   | RNG (E/W)<br>26W                              |                                |  | Acres Attributed<br>480                |                               |
| Field<br>McKinney                                  |   |   | Reservoir<br>Chester             |                          |   |   |                                | nering Conne<br>Field Service                                  |  |                               |
| Completion Date 11-14-51                           | 3   |   | Plug Back<br>5910                | Total Dept               | h   |   | Packer S<br>None               | et at  | •                                      |                               |
| Casing Size<br>5.5"                                |   |   | tnternal Diameter 5.05"          |                          | Set at <b>5910</b>  |   | Perforations<br>5792-5855      |  | То                                     |                               |
| Tubing Size 2 3/8"                                 |   |   | Internal Diameter<br>1.995"      |                          | Set at <b>5825</b>  | Perfora                                       |                                | rations  | То                                     |                               |
| Type Completion (Describe) Acid Frac               |   |   | Type Fluid Production Salt Water |                          |   | Pump Unit or Traveling Plunger? Yes / No None |                                |  |  |                               |
| Producing Thru                                     | (Annulus / Tubing   | )   | % Ca                             | arbon Dioxid             | de  |   | % Nitrog                       | en   | Gas Gra                                | svity - G <sub>a</sub>        |
| Vertical Depth(H                                   | )   |   |                                  | Press                    | sure Taps   |   |                                |  | (Meter I                               | Burn) (Prover) Size           |
| Pressure Buildup                                   | Shut in 9-4   | 20  | 11 <sub>at</sub> 1:              | 00pm                     | (AM) (PM) 1   | Taken .9-                                     | ·5                             | 20   | 11 <sub>at</sub> 2:00pn                | 1 (AM) (PM)                   |
| Well on Line                                       | Started   | 20  | al                               | • •                      | (AM) (PM)   | aken  |                                | 20   | at                                     | (AM) (PM)                     |
|  |   |   |                                  | OBSERVE                  | D SURFACE   | DATA  |                                |  | Duration of Shut-                      | ıı Hours                      |
| Static / Oritin<br>Dynamic Size<br>Property (inche | Meter<br>Prover Pressu  | Pressure<br>Differential<br>in<br>Inches H <sub>2</sub> 0 | Flowing<br>Femperature<br>L      | Well Head<br>Temperature | Casin<br>Wellhead P<br>(P <sub>w</sub> ) or (P <sub>1</sub> ) | ressure                                       | Wellho<br>(P <sub>w</sub> ) or | ubing<br>ad Pressuru<br>(P <sub>i</sub> ) in (P <sub>c</sub> ) | Puration<br>(Hours)                    | Liquid Produced<br>(Barrols)  |
| Shut In  | 1559 (1.07)   | 1101103 1120  |                                  |                          | 115   | ps.p  | 112                            | DetB   | <u>.</u>                               |                               |
| flow   |   |   |                                  |                          |   |   |                                |  |  |                               |
|  |   |   |                                  | FLOW STR                 | EAM ATTRI   | BUTES   |                                |  |  |                               |
| Plate Coefficient (F)(F) Metd                      | Circle one<br>Meter or<br>Prover Pressure<br>para               | Press Extension  Praction                                 | Gravi<br>Facto                   |                          | Flowing<br>Comperature<br>Factor<br>F <sub>rt</sub>           | Fa  | riation<br>F <sub>EV</sub>     | Metered Flow<br>R<br>(McId)                                    | GOR<br>(Cubic Fn<br>Barrel)            | Howing Fluid Gravity G        |
| 1. 1   |   |   | OPEN EL C                        | W) (DELIV                | <br>ERABILITY)  | CALCIII                                       |                                |  |  | l                             |
| (P)?   | (P <sub>x</sub> ) <sup>2</sup> ·                                | :   | P .                              |                          |   | - 14 4) +                                     |                                | - t  | (P <sub>i</sub> )<br>(P <sub>i</sub> ) |                               |
| (P <sub>1</sub> )2 (P <sub>1</sub> ):              | (P <sub>1</sub> ) <sup>2</sup> - (P <sub>2</sub> ) <sup>2</sup> | 1 P, P,   | LOG of<br>formula<br>or 2        | ]<br>;                   |   | sure Curve<br>e = "n"<br>or                   | e<br>n×                        | log  | Antilog                                | Open Flow<br>Deliverability   |
| (P <sub>e</sub> )'- (P <sub>d</sub> )'             |   | dividud by: P2-P2   | and divide<br>by.                | (P,2-P,2                 |   | gned<br>d Slope                               |                                |  |  | I quals R x Antilog<br>(McId) |
|  |   |   |                                  |                          | <b>-</b>  |   |                                | <u>.</u>   | a 14 de de la vicinitation de mi       |                               |
| Open Flow  |   | Mcfd @ 14 6   | 5 osia                           |                          | Deliverabil   | <br>itv                                       | l.                             | ــــــــــــــــــــــــــــــــــــــ                         | <br>Acfd <b>©</b> 14.65 psi            |                               |
|  | izanad nutbasitus   | ***   |                                  | teles 15 - 1 1           |   | <u> </u>                                      |                                |  |  |                               |
|  | gned authority, or  |   | , ,                              |                          | •   |   |                                | ovember  | t and that he ha                       | •                             |
| me facts stated 0                                  | eroin and that sa   | ia report is true   | and correct                      |                          |   |   |                                |  | <b>4</b>                               | . 20 11                       |
|  | Witners (I  | any)  |                                  | RE                       | CEIVED  | Wo  | M                              | me D   | . McKi                                 | mey                           |

KCC WICHITA

NOV 0 9- 2011

For Commission

KCC MICHITA

Checked by

| exempt status ur<br>and that the fore | der penalty of perjury under the laws of the state of Kansas that I am authorized to request or notice Rule K.A.R. 82-3-304 on behalf of the operator Red Hills Resources, Inc.   |
|---------------------------------------|---|
|                                       | st of my knowledge and belief based upon available production summaries and lease records tallation and/or upon type of completion or upon use being made of the gas well herein named.   |
|                                       | uest a one-year exemption from open flow testing for the Theis C-1  |
| gas well on the o                     | grounds that said well:   |
|                                       | 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 see to supply to the best of my ability any and all supporting documents deemed by Commission |
|                                       | ry to corroborate this claim for exemption from testing.  |
| Date: 11-2-11                         |   |
|                                       | Signature: Wallan M. M. M. Title: Vice-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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