KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:			(See In:	structio	ons on Rev	erse Side)					
Open Flo			Test Date: 12/18/2010					No. 15 5-20796 — (0000			
Company Red Hills Res	ources, Inc.				Lease Theis B				1-23	Well Nu	ımber	
County Clark	Location S/2 S/2		Section 23		TWP 34S		RNG (E 25W	(W)	-	Acres / 480	Attributed	
Field McKinney			Reservoir Chester					thering Conne Midstream	ection			
Completion Dat 6/17/1984	10		Plug Back Total 5900	Depth	 1		Packer	Set at	• •			
Casing Size Weight 4.5" 10.5#			Internal Diameter 4.05"		Set at		Perforations 5657-5699		то 5716-5756			
Tubing Size Weight 2 3/8" 4.7#		t	Internal Diameter 1.995"		Set at P 5757		Perfo	Perforations		То		
Type Completion (Describe) Acid Frac		•	Type Fluid Production Salt water				Pump Unit or Traveling Plunger? Yes / No Pumping Unit					
Producing Thru (Annulus / Tubing)			% Carbon Dioxide				% Nitro	_	Gas G	Gas Gravity - G,		
Vertical Depth(F	4)			Press	ure Taps				(Meler	Run) (P	rover) Size	
Pressure Buildu	p: Shut in 12/	18 _ 20	10 _{at} 10:30 a	ım	(AM) (PM)	12 Taken 12	2/19	· 20	10 _{at} 11:30	am	- (AM) (PM)	
Well on Line:	Started	20	at	ı	(AM) (PM)	Taken		20	at		(AM) (PM)	
	· · · ·		OBSE	RVE	SURFACE	DATA			Duration of Shut	-in	Hours	
Dynamic Size Meter Differentic Property (inches)		re in	Flowing Well Femperature	Casing Wellhead Pressure (P _w) or (P _l) or (P _c)		Tubing Wellhead Pressure (P _*) or (P ₁) or (P ₃)		Duration (Hours)		Liquid Produced (Barrols)		
Shut-In	psig (Pm)	Inches H ₂ 0			psig 60	psin	psig	psia	·			
Flow										 		
			FLOW	STRE	EAM ATTRI	BUTES						
Plate Coeffiecient (F _B) (F _B) Mcfd	Circle one Meter or Prover Pressure psia	Press Extension P _x xh	Gravity Factor F _g	T€	Flowing emperature Factor F _{It}	Fa	iation Ctor : pv	Metered Flow R (Mcfd)	GOR (Cubic Fo Barret	et/	Flowing Fluid Gravity G _{r.}	
L		<u> </u>	OPEN FLOW) (D	FLIVE	PARII ITY)	CALCUI	ATIONS				<u> </u>	
(P _c) ² =	: (P _*) ² =	:	P _a =	%	•			:	(P _a) ² = 0.2) ² ::	<u></u>	
$(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_a)^2$	(P _L) ² ~ (P _w) ²	1. P _c ² -P _c ² 2. P _c ² -P _d ² divided by: P _c ² -P _c ²	LOG of formula 1. or 2. and divide by		Siop	sure Curve e = "n" or igned ird Slope	- 1	LOG	Antilog	De Equal:	pen Flow liverability s R k Antilog (Mcfd)	
										-		
Open Flow		Mcfd @ 14.65	o psia		Deliverabi	lity	I,		Mcfd @ 14.65 ps	ia		
The unders	signed authority, or	behalf of the C	ompany, states t	hal he	is duly au			he above repor	rt and that he ha	as know	rledge of	

the facts stated therein, and that said report is true and correct. Executed this the 23rd

Wallow B McT BECEIVED DEC 2 7 2010

I declare under penalty of perjury under the laws of the state of Kansas that I am authorized to exempt status under Rule K.A.R. 82-3-304 on behalf of the operator Red Hills Resources, Inc.	o request							
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								
of equipment installation and/or upon type of completion or upon use being made of the gas well herein								
I hereby request a one-year exemption from open flow testing for the Theis B 1-23	mameu.							
gas well on the grounds that said well:								
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	_							
to the supulse of producing at a daily rate in excess of 250 mens								
I further agree to supply to the best of my ability any and all supporting documents deemed by (staff as necessary to corroborate this claim for exemption from testing.	Commission							
Date: December 23, 2010								
Signature: Walkan B. McKinn	204							
Title: Vice-President	1							

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 polater than December 31 of the year for which it's intended to acquire exempt status for the subject well. The polater than signed and dated on the front side as though it was a verified report of annual test results.

DEC 2 7 2010