

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test: Open Flow Deliverability **Peak Energy** Test Date: 06-17-10 API No. 15 - 035-19384 - 0000
 (See Instructions on Reverse Side) **Boller** #2

Company: Cowley Lease: Ark. City Well Number: 7
 County: Gibson Pool Location: Severy Sand Section: 35-S TWP: 3-E Rng (E/W): 80 Acres Attributed: 1"
 Field: 01-02-75 Reservoir: 1725' Gas Gathering Connection: Nat Gas, LLC
 Completion Date: 4 1/2" Plug Back Total Depth: 10.50 Packer Set at: 4" 1,725 1,563 1,568
 Casing Size: 2 3/8" Weight: 4.7-lb. Internal Diameter: 2" Set at: 1,540 Perforations: To
 Tubing Size: none Weight: none Internal Diameter: none Set at: none Perforations: To
 Type Completion (Describe): tubing Type Fluid Production: none Pump Unit or Traveling Plunger? 950 Bru Yes / No
 Producing Thru (Annulus / Tubing): 1,725 % Carbon Dioxide: none % Nitrogen: 750 Gas Gravity - G_s: Bru
 Vertical Depth(H): 1,725 Pressure Taps: _____ (Meter Run) (Prover) Size: _____

Pressure Buildup: Shut in 06-16 at 8:00 (AM) (PM) Taken 24hrs. 06-17 at 8:00 (AM) (PM)
 Well on Line: Started _____ at _____ (AM) (PM) Taken _____ at _____ (AM) (PM)

OBSERVED SURFACE DATA

Static / Dynamic Property	Orifice Size (Inches)	Check one: Meter Prover Pressure (Psi)	Pressure Differential in Inches H ₂ O	Flowing Temperature t	Well Head Temperature t	Casing Wellhead Pressure (P _c) = (P ₁) or (P ₂)		Tubing Wellhead Pressure (P _t) = (P ₁) or (P ₂)		Duration (Hours)	Liquid Produced (Barrels)
						psi	psi	psi	psi		
Shut-in		10-lbs				10	24.4				
Flow		24.4									

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _s) (F _d) (Mcfd)	Check one: Meter or Prover Pressure (Psi)	Press Extension $\sqrt{P_s \times h}$	Gravity Factor F _g	Flowing Temperature Factor F _t	Deviation Factor F _{dv}	Medium Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _s

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P₁)² = _____ (P₂)² = _____ P_s = _____ % (P_s - 14.4) = 14.4 = _____ (P₁)² = 0.207 (P₂)² = _____

$\frac{(P_1)^2 - (P_2)^2}{(P_1)^2 - (P_2)^2}$	$\frac{(P_1)^2 - (P_2)^2}{(P_1)^2 - (P_2)^2}$	Choose one: 1. P _c ² - P _s ² 2. P _s ² - P _s ² (show as P _c ² - P _s ²)	LOG of formula 1. or 2. as shown by: $\frac{P_2 - P_1}{P_2 + P_1}$	Decline Curve Slope = "U" or Assigned Standard Slope	n x LOG []	AntLOG	Open Flow Deliverability Equate R x AntLOG (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 6-17-2010 day of 2010
 _____ x Pondell B Bower For Company
 _____ Witness (if any) _____
 _____ For Commission _____ Checked by _____

RECEIVED
 FEB 23 2011
 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 Peak Energy LLC 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 #2 Boller 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: 06-17-10

Signature: X *Randall J Bowen*
Title: Owner/Operator

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.

RECEIVED
FEB 23 2011
KCC WICHITA