

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

- Open Flow
 Deliverability

Test Date:
08-03-11

API No. 15
007-22880-0000

(See Instructions on Reverse Side)

Company Hayes Oil & Gas, LLC		Lease R. McDaniel		Well Number 1-B	
County HP	Location 50°W of NENENE	Section 24	TWP 32S	RNG (E/W) 10W	Acres Attributed 120
Field Sharon		Reservoir Mississippi		Gas Gathering Connection Pioneer Exploration LTD	
Completion Date 03-17-05		Plug Back Total Depth 4409'		Packer Set at None	
Casing Size 5.500	Weight 15.500#	Internal Diameter 5.012	Set at 4442'	Perforations 4339'	To 4362'
Tubing Size 2.875	Weight 6.4#	Internal Diameter 2.500	Set at 4339'	Perforations Open	To N/A
Type Completion (Describe) Single		Type Fluid Production oil, water		Pump Unit or Traveling Plunger? Yes / No Pumping	
Producing Thru (Annulus / Tubing) Annulus		% Carbon Dioxide .092		% Nitrogen 1.167	
Gas Gravity - G _g .659		Vertical Depth(H) 4351		Pressure Taps (Meter Run) (Prover) Size	
Pressure Buildup: Shut in <u>8-2</u> 20 <u>11</u> at <u>11:00</u> (AM) (PM) Taken <u>8-3</u> 20 <u>11</u> at <u>11:00</u> (AM) (PM)					
Well on Line: Started <u>8-3</u> 20 <u>11</u> at <u>11:00</u> (AM) (PM) Taken _____ 20 _____ at _____ (AM) (PM)					

OBSERVED SURFACE DATA

Duration of Shut-In _____ Hours

Static / Dynamic Property	Orifice Size (inches)	Circle one: Meter or Prover Pressure psig (Pm)	Pressure Differential in Inches H ₂ O	Flowing Temperature t	Well Head Temperature t	Casing Wellhead Pressure (P _w) or (P _i) or (P _e)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _e)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In						246				24	
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _s) (F _v) Mcfd	Circle one: Meter or Prover Pressure psia	Press Extension $\sqrt{P_m \times h}$	Gravity Factor F _g	Flowing Temperature Factor F _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_e)² = _____ : (P_w)² = _____ : P_e = _____ % (P_c - 14.4) + 14.4 = _____ : (P_e)² = 0.207
(P_e)² = _____

(P _e) ² - (P _w) ² or (P _e) ² - (P _e) ²	(P _e) ² - (P _w) ²	Choose formula 1 or 2: 1. P _e ² - P _w ² 2. P _e ² - P _e ² divided by: P _e ² - P _w ²	LOG of formula 1, or 2, and divide by: P _e ² - P _w ²	Backpressure Curve Slope = "n" ----- Assigned Standard Slope	n x LOG []	Antilog	Open Flow Deliverability Equals R x Antilog (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 _____ day of _____, 20 _____.

Witness (if any)

For Commission

For Company

Checked by

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AUG 18 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 Hayes Oil & Gas, 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 R. McDaniel #1-B 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: 08-17-11

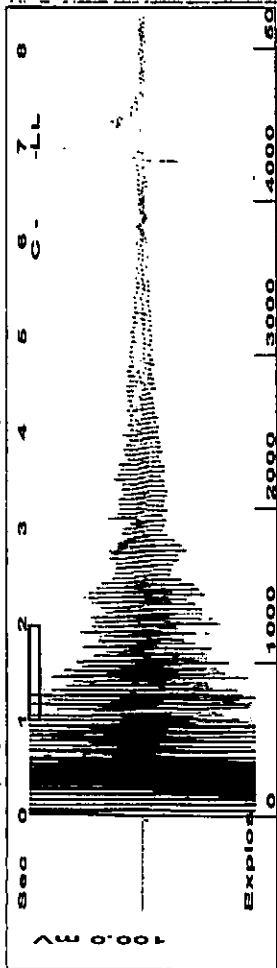
Signature: *Deyan F. Hayes*
Title: Manager

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.

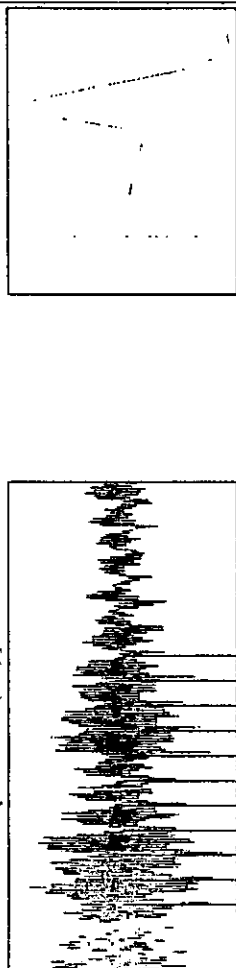
At some point during the current calendar year, wellhead shut-in pressure shall have been measured after a minimum of 24 hours shut-in/buildup time and shall be reported on the front side of this form under **OBSERVED SURFACE DATA**. Shut-in pressure shall thereafter be reported yearly in the same manner 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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Filter Type High Pass Automatic Collar Count Yes Time 6.849 sec
 Manual Acoustic Velo 1243.66 ft/s Manual JTS/sec 19.4932 Joints 133.662 Jts
 Depth 4263.80 ft

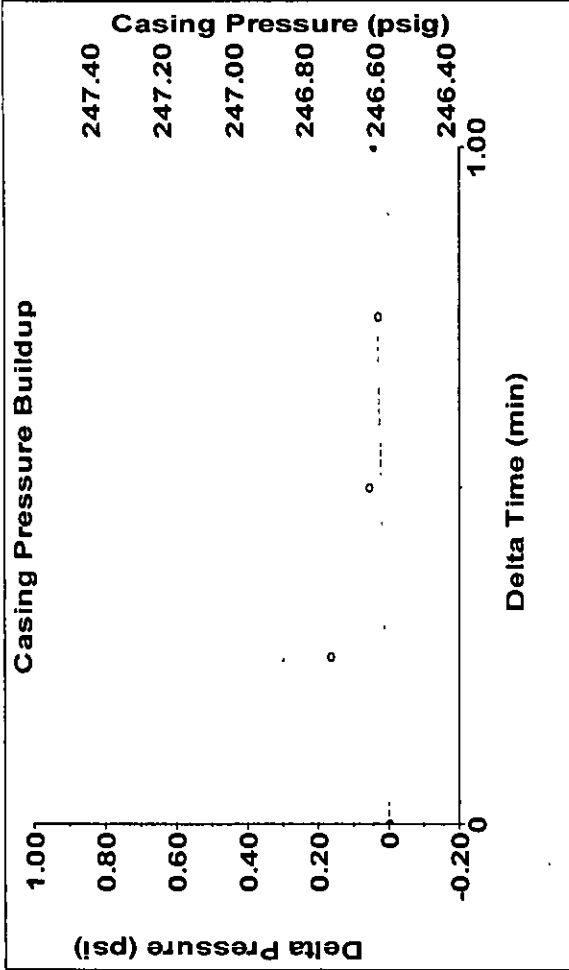


Analysis Method: Automatic

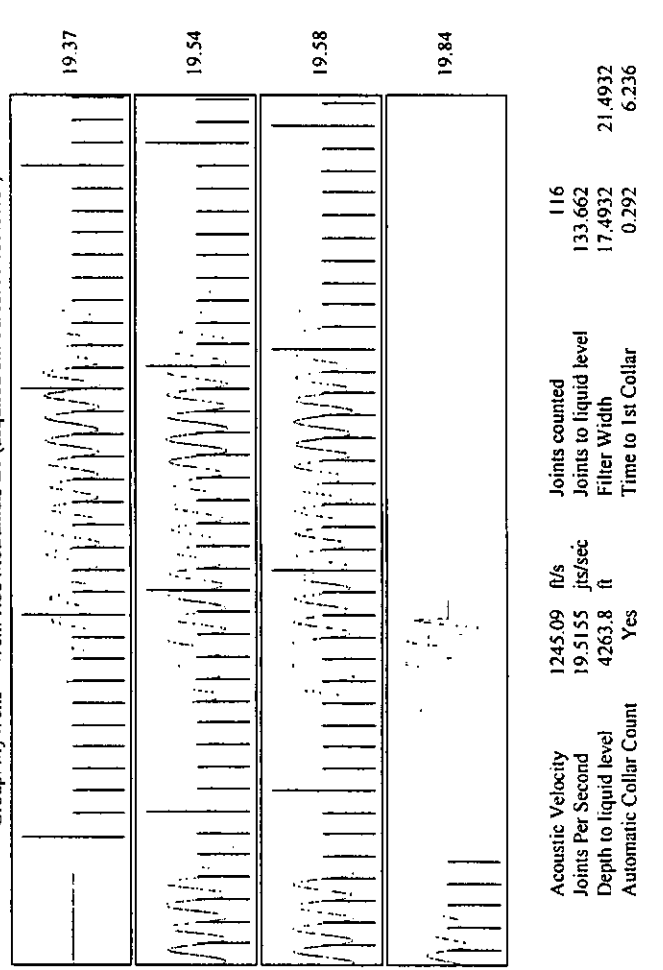
Production	Potential	Casing Pressure	Producing
Oil 1.67	- * - BBL/D	246.6 psi (g)	Annular
Water 0	- * - BBL/D	Casing Pressure Buildup	Gas Flow 1 Mscf/D
Gas 420	- * - Mscf/D	0.0 psi	%% Liquid 93 %
IPR Method	Vogel	Gas/Liquid Interface Pressure	
PBHP/SBHP	- * -	276.4 psi (g)	
Production Efficiency	0.0	Liquid Level	
Oil 31 deg API		Main Depth to Liquid Level	
Water 1.05 Sp.Gr:H2O		4263.80 ft	
Gas 0.73 Sp.Gr:AIR		Formation Depth	
Acoustic Velocity 1245.09 ft/s		4339 ft	
		Pump Intake Pressure	
		313.3 psi (B)	
		Producing BHP	
		301.2 psi (g)	
		Static BHP	
		- * - psi (g)	

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Pump Intake Depth (MD) 4373 ft
 Total Gaseous Liquid Column HT (TVD) 109 ft
 Equivalent Gas Free Liquid HT (TVD) 104 ft



Change in Pressure 0.04 psi PT4212 Range
 Change in Time 1.00 min



Acoustic Velocity 1245.09 ft/s Joints counted 116
 Joints Per Second 19.5155 jts/sec Joints to liquid level 133.662
 Depth to liquid level 4263.8 ft Filter Width 17.4932
 Automatic Collar Count Yes Time to 1st Collar 6.236