KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Tes	t:					(See Insi	ruct	ions on Re	verse Side	∍)					
Open Flow						Test Date:					ΔD1	No. 15				
Deliverabilty						1-13-	Test Date: 1-13-12					071-20693	0000			
Company		Оре	erating, In	c.			· , , , ,		Lease Wear				1	Well N	lumber	
County Location Greeley C-NE/SE					Section 15			TWP 17S		RNG (E/W)			Acres Attributed 320			
Field Bradshaw					Reservoir Winfield						hering Conne lidstream	ection				
Completion Date 8-20/1998				Plug Back Total Dept 3023			h Packer Set at		Set at							
Casing Size 1				ht		Internal Diameter 4.052			Set at 3022		Perforations 2988		To 3000			
Tubing S 2.375	Fubing Size Weight 2.375 4.7				Internal Diameter 2.0000			Set at		Perforations		То				
Type Completion (Describe) Single gas					Type Flui Water	d Produc	ction	Pump Ur		nit or Traveling Plunger? Yes / No						
Producing Thru (Annulus / Tubing) Casing					% C	arbon D	ioxic	ie		% Nitrogen			Gas Gravity - G _g			
Vertical E 2573	epth(l	1)						ress	ure Taps 36				(Met	ter Run) (i	Prover) Size	
Pressure	Buildu	p:	Shut in	/	-12 2	0/2 at /	0;00		(PM)	Taken]-/3	20	12 at 10	:00	(PM)	
Well on L	ine:		Started		20	0 at			(AM) (PM)	Taken		20	at		. (AM) (PM)	
			,		· · · · · · · · · · · · · · · · · · ·		OBSE	₩EI	SURFACI	E DATA			Duration of SI	hut-in	24 Hours	
Static / Dynamic Property	Orifice Size (inches)		Circle one: Meter Prover Pressure psig (Pm)		Pressure Differential in Inches H ₂ 0	Flowing Temperature t	Well Head Temperature t		Casing Wellhead Pressure $(P_u) \propto (P_t) \propto (P_c)$ psig psia		Tubing Wellhead Pressure (P _w) or (P ₁) or (P _c) paig psta		Ouration Liquid Produc (Hours) (Barrels)			
Shut-In	1.0	0	, , , , , , , , ,						80		heaft hear		24			
Flow																
			Circle one:	7			FLOW S	STR	EAM ATTR	IBUTES					Flowing	
Plate Coefflecient (F _b) (F _p) Mcfd		Meter or Prover Pressure psla			Press Extension P _n xh	Fact	Gravity Factor F _g		Flowing Temperature Factor F _H		riation actor F _{ev}	Metered Flow R (Mcfd)	(Cubb	GOR Fluid (Cubbs Feet/ Gravi Barrel) G _a		
/D \2 _			(D.)2	-		•	OW) (DE		ERABILITY	-				(P _a) ² = 0.	.207	
$(P_e)^2 = $ $(P_e)^2 - (P_a)^2$ or $(P_e)^3 - (P_g)^2$		(P _w) ² - (P _w) ²		Choose formula 1 or 2:		P _d ≈	<u> </u>	<u>"</u>	Backpressure Curv		i	<u>;</u>	(P	1	Open Flow Deliverability	
					2. P _e ²-P _d ² hdby: P _e ²-P _e ²	1. or 2. and divide by:	P_2-P_	•	Assigned Standard Slope		- " ^ '		Antilog	Equals R x Antilog (Mcfd)		
Open Flow Mcfd @ 14.6				55 psia	5 psia			Deliverability		Mcfd @ ·			14.65 psia			
		_	_		ehalf of the				•	uthorized 1	to make the	ne above repor	t and that he	has kno	wledge of , 20 1 2	
			Witness	lf am	0	·		_	-		anii	e Ry	illy ompany			
<u></u>			For Comm	ntesic	m			_	-	0	<i>.</i>	Chec	ked by		RECEIVE	

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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 Horseshoe Operating, Inc. 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 Wear #1
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: 3-26-12
Signature: <u>Janice Ripley</u> Title: <u>froduction</u> Assistant

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.