

KANSAS CORPORATION COMMISSION
ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST
(See Instructions on Reverse Side)

Type Test: Open Flow Test Date: 3/17/2011 API No. 15-085-21512 - 000
 Deliverability

Company	American Energies Corporation		Lease	M & R Farms		Well Number	1	
County	Kingman		Location	280' NE of NW SE SE		Section	32	
			TWP	27S		RNG (E/2)	6W	
Field	Georgia Spur NE		Reservoir	Mississippian Chert		Gas Gathering Connection		
Completion Date	10/28/2001		Plug Back Total Depth	3988'		Packer Set At		
						None		
Casing Size	4 1/2"	Weight 9.5	Internal Diameter	4.00	Set at 3988	Perforations	3880	
Tubing Size	2 3/8"	Weight 4.7	Internal Diameter	1.9	Set at 3854	Perforations	To 3886	
Type Completion (Describe)	Fracture		Type Fluid Production	Saltwater		Pumping Unit or Traveling Plunger? Yes/No		
Producing Thru (Annulus/Tubing)	Annulus		% Carbon Dioxide	0.16		% Nitrogen	4.65%	
						Gas Gravity - Gg	0.9739	
Vertical Depth (H)	3880'		Pressure Taps	Flange		(Meter Run)(Prover) Size		
						Meter Run		
Pressure Buildup:	Shut In	3-16 2011	at	11:30 a.m.	(AM)(PM)	Taken	17-Mar 2011	at 1:15 p.m. (AM)(PM)
Well On Line:	Started	17-Mar 2011	at		(AM)(PM)	Taken	2011	at (AM)(PM)

OBSERVED SURFACE DATA

Static Dynamic Property	Orifice Size (Inches)	Crown One Meter Prover Pressure psig (Pm)	Pressure Differential In Inches H2O	Flowing Temperature t	Well Head Temperature	Casing Wellhead Pressures (Pw) or (Pi) or (Pc)		Tubing Wellhead Pressures (Pw) or (Pi) or (Pc)		Duration Hours	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In	0.75	480				480		220		24	212
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (b) (Fv) mcfpd	Crown One Meter or Prover Pressure psia	Press Extension vPmXh	Gravity Factor Fg	Flowing Temperature Factor Ft	Deviation Factor Fv	Metered Flow R (mcf/d)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity Gm

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P₁)₂= _____ (P₂)₂= _____ P_w= _____ % (P_w-14.4)+14.4= _____ : (P₂)₂=0.207 (P₁)₂= _____

(P ₁) ₂ -(P _w) ₂ or (P ₁) ₂ -(P ₂) ₂	(P ₁) ₂ -(P _w) ₂	Choose formula 1 or 2: 1. P ₁ 2-P _w 2 2. P ₁ 2-P ₂ 2 divided by P _w 2-P _w 2	LOG of Formula 1. or 2. and divide by: [P ₁ 2-P _w 2]	Backpressure Curve Slope = "n" or Assigned Standard Slope	N X LOG []	Antilog	Open Flow Deliverability Equals R X Antilog (mcf/d)

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

17 day of March 2011

Berry Connelley
For Company

Witness (if any)

For Commission

Checked by

RECEIVED
JUN 13 2012
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 American Energy Corp 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 M.R Farms 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: 3-17-2011

Signature: Barry Considine
Title: Pipeline Supervisor

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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