KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test | : | | | C | See Instruc | tions on Re | verse Side |)) | | | | | |
|--|-------------------------------|--|--|--|--------------------------|--|----------------------|--|-----------------------------------|---------------------------------------|--|--|--|
| Open Flow Deliverabilty | | | Test Date: | | | | | No. 15 3-20652-0 0 | | | | | |
| Company Priority Oil & Gas LLC | | | | 10/4/12 Lease Northrup Trust | | | | 100 | Well Number 5-18 | | | | |
| County Location Cheyenne SW NW NE | | | Section 18 | | | | RNG (E. | 6 | Acres Attributed | | | | |
| Field | | | | Reservoir | Reservoir Beecher Island | | | Gas Gathering Connection Priority Oil & Gas LLC | | | RECEIVE NOV 3 0 201 TO KCC WICHITA | | |
| Completion Date | | | Plug Back Total Depth 1386 | | | Packer Set at | | | NOV 3 0 20 | | | | |
| | | | Internal E 4.052 | Diameter | Set at 1387 KB | | Perforations 1202 | | To 1239 | To KCC WC W | | | |
| ubing Size Weight | | | Internal Diameter Set at | | | at | Perfo | rations | То | то | | | |
| Type Con single (| npletion (i | Describe) | | Type Flui | d Productio | n | | Pump U | nit or Traveling | Plunger? Yes | /(No) | | |
| Producing Thru (Annulus / Tubing) casing | | | % Carbon Dioxide .36 | | | | % Nitrog | • | | Gas Gravity - G _g .5856 | | | |
| Vertical Depth(H) | | | | Pressure Taps | | | | | Meter 2 i | | rover) Size | | |
| • | | | | | (AM) (PM) Taken | | 20 _ | | at | at (/ | | | |
| Well on Line: Started 10/4 20 | | | 12 at 3 | 12 at 3:24 (AM) (PM) Taken | | | | 20 at | | | (AM) (PM) | | |
| | | | T | | OBSERVE | D SURFAC | - | | · r | Duration of Shu | 24 | Hours | |
| Static / Dynamic Property | Orifice Size (inches) | Circle one: Meter Prover Pressure psig (Pm) | Pressure Differential in Inches H ₂ 0 | Flowing Well Head Temperature t t | | Casing Welthead Pressure (P _w) or (P _t) or (P _c) psig psia | | Tubing Wellhead Pressure (P _w) or (P ₁) or (P _c) psig psia | | Duration (Hours) | , , | Liquid Produced (Barrels) | |
| Shut-In | | | | | | | | | | | ļ | | |
| Flow | .625 | | <u> </u> | | FLOW STE | 86 REAM ATTR | 100.4 | | | | | | |
| Plate Coefficient (F _b) (F _p) Mcfd | | Circle one: Meter or Prover Pressure psia | Press Extension ✓ P _m x h | Grav Fact | vity tor | Flowing Temperature Factor F _{tt} | Dev Fa | iation actor | Metered Flow R (Mcfd) | GOR (Cubic F Barrel | eet/ | Flowing Fluid Gravity G _m | |
| | | | · | (OPEN FL | OW) (DELIV | ERABILITY | ') CALCUL | ATIONS | | | 12 0.0 | 07 | |
| P_{c}^{2} = : $(P_{w}^{2})^{2}$ = : | | | P _d =% | | | (P _c - 14.4) + 14.4 =: | | | $(P_a)^2 = 0.207$ $(P_d)^2 = $ | | | | |
| (P _c) ² - (I | P _o) ² | $(P_c)^2 - (P_w)^2$ Choose formula $(P_c)^2 - (P_w)^2$ $(P_c^2 - P_c^2 - P_c^2)$ divided by: P_c^2 | | LOG of formula 1. or 2. and divide p 2. p | | Backpressure Curv Slope = "n" or Assigned Standard Slope | | n x LOG | | Antilog | Deli Equals | Open Flow Deliverability Equals R x Antilog (Mcfd) | |
| | | | | <u>.</u> | | | | | | | | | |
| Open Flow Mcfd @ 14.65 | | 1 35 psia | 5 psia | | bility | | | Mcfd @ 14.65 psia | | | | | |
| | • | ed authority, on ein, and that said | | | | - | | | | | | ledge of | |
| | | ein, and that said Witness (if a | iny) | | | - | M | Ilm | A. A. | ompan | | | |
| | | For Cammis | sion | | | | | | Check | ked by | | | |

NOV 3 0 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 Priority 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 |
| |

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 Northrup Trust 5-18 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 mct/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: 10/30/12

Title: Business 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.