## KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

| Type Test:   | !                                 |  |   |                   |   | 6                                   | See Insi                                   | tructi  | ions on Re   | verse Sid                                       | le)                                     |   |                             |   |                     |                               |                              |   |  |
|--|-----------------------------------|--|---|-------------------|---|-------------------------------------|--|---|--|---|---|---|-----------------------------|---|---------------------|-------------------------------|------------------------------|---|--|
| <b>✓</b> Op  | en Flow                           |  |   |                   |   | Test Date                           | ,.   |   |  |   |   | ΔPI   | No. 15                      |   |                     |                               |                              |   |  |
| Del  | iverabill                         | y  |   |                   |   | 10/2/12                             |  |   |  |   |   |   |                             | 72-00                                   | 00                  |                               |                              |   |  |
| Company<br><b>Priority</b>   | Oil &                             | Ga   | s LLC   |                   |   |                                     |  |   | Lease<br><b>Kend</b> ri  | ick   |   |   |                             |   |                     | 2-19                          | Well Nu                      | mber  |  |
| County Location Cheyenne NE-NE-NE                                    |                                   |  |   | Section<br>19     |   | TWP<br>4 S                          | WP R<br>4 S 4                              |   |  | RNG (E/W)<br>40                                 |   |   |                             | Acres Attributed                        |                     |                               |                              |   |  |
| Field<br>Cherry Creek  |                                   |  |   |                   | Reservoir<br>Beecher Island   |                                     |  |   |  | Gas Gathering Connection Priority Oil & Gas LLC |   |   |                             | RECEIVE<br>NOV 3 0 20<br>1228 KCC WICHI |                     |                               |                              |   |  |
| Completion Date<br>02/03/01  |                                   |  |   | Plug Back<br>1327 | Plug Back Total Depth<br>1327   |                                     |  |   | F  | Packer Set at                                   |   |   |                             |   |                     | NOV 3 $_{\theta}$             |                              |   |  |
| Casing Size<br><b>4.5 in</b>   |                                   |  | - <del>.</del>  | Weight<br>10.5 #  |   |                                     | Internal Diameter<br>4.052                 |   |  | Set at<br>1372 KB                               |   |   | Perforations<br>1187        |   |                     |                               | KC                           | C WICL  |  |
| Tubing Size  |                                   |  | Weight  |                   |   | internal <b>C</b>                   | Internal Diameter                          |   |  | Set at  |   |   | Perforations                |   |                     |                               |                              |   |  |
| Type Com<br>single (g  |                                   | (De  | escribe)  |                   |   | Type Flui                           | d Produ                                    | ction   | 1  |   | F                                       | Pump Un   | it or Tr                    | aveling                                 | Plunger?            | Yes                           | / <b>(No</b> )               |   |  |
|  | Producing Thru (Annulus / Tubing) |  |   |                   | % C<br>0.425  | % Carbon Dioxide                    |  |   |  |   | % Nitrogen<br>3.374                     |   |                             |   |                     | Gas Gravity - G <sub>g</sub>  |                              |   |  |
| Vertical D   | epth(H)                           |  |   |                   |   |                                     | F  | ress  | sure Taps  |   |   |   |                             |   |                     |                               |                              | rover) Size   |  |
| Pressure   | Buildup                           |  | Shut in 10/   |                   |   | 0 12 at 3                           |  |   | (AM)(PM)   | Taken_  |   |   |                             | 20                                      | at                  |                               | (                            | (AM) (PM)   |  |
| Well on L  | ine:                              | ;  | Started 10/   | 2                 | 20  | 0 12 at 3                           | :27  |   | (AM) (M)   | Taken   |   |   |                             | 20                                      | at                  |                               |                              | (AM) (PM)   |  |
| 1  |                                   |  |   |                   |   |                                     | OBSE                                       | RVE   | D SURFAC   |   |   |   |                             |   | Duration            | of Shut-                      | in_23.                       | 9 Hours   |  |
| Static /<br>Dynamic<br>Property                                      | 1                                 |  | Circle one:  Meter Prover Pressure psig (Pm)                    |                   | Pressure Differential in Inches H <sub>2</sub> 0  | Flowing<br>Temperature<br>t         | Well He<br>Tempera<br>t                    |   | Casing Wellhead Pressure (P <sub>w</sub> ) or (P <sub>t</sub> ) or (P <sub>c</sub> ) psig psia |   |   | Tubing Wellhead Pressur (P <sub>w</sub> ) or (P <sub>t</sub> ) or (P <sub>c</sub> psig psia |                             | (P <sub>e</sub> )                       | Duration<br>(Hours) |                               | Liquid Produced<br>(Barrels) |   |  |
| Shut-In  |                                   |  |   |                   |   |                                     |  |   |  |   | İ                                       | P3  |                             |   | <del></del> .       |                               |                              |   |  |
| Flow   | .500                              | ,  |   |                   |   |                                     |  |   | 30   | 44.4  |   |   |                             |   |                     |                               |                              |   |  |
|  |                                   |  |   | <b></b>           |   |                                     | FLOW                                       | STR   | EAM ATTR   | RIBUTES   |   |   |                             |   |                     |                               |                              |   |  |
| Plate<br>Coefficcient<br>(F <sub>b</sub> ) (F <sub>s</sub> )<br>Mcfd |                                   | Circle one:<br>Meter or<br>Prover Pressure<br>psia |   |                   | Press<br>Extension<br>✓ P <sub>m</sub> x h  | Gravity<br>Factor<br>F <sub>g</sub> |  | Flowing<br>Temperature<br>Factor<br>F <sub>11</sub> |  | F   | Deviation<br>Factor<br>F <sub>g</sub> , |   | Metered Flow<br>R<br>(Mcfd) |   |                     | GOR<br>(Cubic Feet<br>Barrel) |                              | Flowing<br>Fluid<br>Gravity<br>G <sub>m</sub>               |  |
|  |                                   |  |   | <u></u>           |   | 400000                              |  |   |  |   | _                                       |   |                             |   |                     |                               |                              |   |  |
| P <sub>c</sub> )² =  |                                   | . ;  | (P <sub>w</sub> ) <sup>2</sup> =                                | =                 | :   | ·                                   |  |   | ERABILITY<br>% (I  | r) CALCU<br>P <sub>e</sub> - 14.4)              |   |   |                             | _;                                      |                     |                               | 2 = 0.2<br>2 =               |   |  |
| $(P_c)^2 - (P_a)^2$ or $(P_c)^2 - (P_d)^2$                           |                                   |  | (P <sub>c</sub> ) <sup>2</sup> - (P <sub>w</sub> ) <sup>2</sup> |                   | ase formula 1 or 2<br>1. P <sub>c</sub> <sup>2</sup> - P <sub>a</sub> <sup>2</sup><br>2. P <sub>c</sub> <sup>2</sup> - P <sub>d</sub> <sup>2</sup><br>led by: P <sub>c</sub> <sup>2</sup> - P <sub>a</sub> <sup>2</sup> | LOG of formula 1, or 2. and divide  | LOG of formula 1. or 2. and divide p 2 p 2 |   | Backpressure Cu<br>Slope = "n"   |   | ve n x L                                |   | 7                           |   | Antil               | Antilog                       |                              | Open Flow<br>Deliverability<br>Equals R x Antilog<br>(Mcfd) |  |
| <del></del>  |                                   |  |   |                   |   | _                                   |  |   | -  | <u></u>   |   |   |                             |   |                     |                               | -                            |   |  |
| Open Flo   | w                                 |  |   |                   | Mcfd @ 14.  | .65 psia                            |  |   | Deliveral  | bility  |   |   |                             | [                                       | √lcfd @ 1           | 4.65 psi                      | l<br>a                       |   |  |
|  |                                   |  | d authority, o  |                   |   |                                     |  |   |  |   |   |   |                             |   |                     |                               |                              | _   |  |
| he facts s   | tated th                          | erei   | n, and that s   | aid               | report is true  | e and correc                        | t. Exec                                    | uted  | this the   | 30H/  | _ d                                     | ay of(  | Oc}                         | -olee                                   | <u> </u>            |                               | <del></del> 1                | 20 12.  |  |
| <del>,</del> ,   |                                   |  | Witness   | (if an            | у)  |                                     |  | -   |  |   | 1/2                                     | shi   | ا/ ر                        | For C                                   | FL<br>ompany        |                               |                              |   |  |
|  |                                   |  | For Com   | nissia            | on  |                                     | · · · · · ·                                |   |  |   |   |   |                             | Chec                                    | ked by              |                               |                              |   |  |

## NOV 3 U 2012

| exempt status under land that the foregoin correct to the best of of equipment installat | enalty of perjury under the laws of the state of Kansas that I am authorized to request Rule K.A.R. 82-3-304 on behalf of the operator Priority Oil & Gas LLC g pressure information and statements contained on this application form are true and my knowledge and belief based upon available production summaries and lease records   |
|--|---|
| and that the foregoin<br>correct to the best of<br>of equipment installat                | g pressure information and statements contained on this application form are true and my knowledge and belief based upon available production summaries and lease records   |
| gas well on the grour  |   |
| is   | a coalbed methane producer cycled on plunger lift due to water a source of natural gas for injection into an oil reservoir undergoing ER on vacuum at the present time; KCC approval Docket No not capable of producing at a daily rate in excess of 250 mcf/D supply to the best of my ability any and all supporting documents deemed by Commissic corroborate this claim for exemption from testing. |
| Date: 10/30/12   | Signature: Mhi A Hung 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.