

KANSAS CORPORATION COMMISSION

ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

Type Test:

(See Instructions on Reverse Side)

- Open Flow
 Deliverability

Test Date:
June 11, 2012

API No. 15
15033215390000

Company Castelli Exploration, Inc.			Lease Merrill Ranch		Well Number C3
County Comanche	Location N2 SE NW NW	Section 33	TWP 33S	RNG (E/W) 16W	Acres Attributed
Field Ham		Reservoir Mississippi	Gas Gathering Connection Oneok		
Completion Date 11/07/08		Plug Back Total Depth 5372	Packer Set at None		
Casing Size 4.500	Weight 10.50	Internal Diameter 4.062	Set at 5414	Perforations 5000-10 5034-52	To 5056-70
Tubing Size 2.375	Weight 4.70	Internal Diameter 1.995	Set at 5103	Perforations Open	To
Type Completion (Describe) Single Zone Gas Perforations		Type Fluid Production Water	Pump Unit or Traveling Plunger? Yes / No Pumping Unit		
Producing Thru (Annulus / Tubing) Annulus		% Carbon Dioxide	% Nitrogen		Gas Gravity - G _g
Vertical Depth(H)		Pressure Taps		(Meter Run) (Prover) Size	

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Pressure Buildup: Shut in June 10 2012 at 8:00 (AM) (PM) Taken June 11 2012 at 8:00 (AM) (PM)
Well on Line: Started _____ 20____ at _____ (AM) (PM) Taken _____ 20____ at _____ (AM) (PM)

OBSERVED SURFACE DATA

Duration of Shut-in _____ Hours

Static / Dynamic Property	Orifice Size (inches)	Circle one: Meter 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 _c)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-in						80	94.4				
Flow											

FLOW STREAM ATTRIBUTES

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

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

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

(P _c) ² - (P _a) ² or (P _c) ² - (P _d) ²	(P _c) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _a ² 2. P _c ² - P _d ² divided by: P _c ² - P _w ²	LOG of formula 1. or 2. and divide by: $\frac{P_c^2 - P_w^2}{P_c^2 - P_a^2}$	Backpressure Curve Slope = "n" or 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 20th day of September, 2012.

Witness (if any)

For Company

For Commission

Checked by

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Form G-2
(Rev. 7/03)

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 Castelli Exploration, 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 Merrill Ranch C3 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: September 20, 2012

Signature: 

Title: President

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.