

For KCC Use:
Effective Date: _____
District # _____
SGA? Yes No

NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: _____
month day year

OPERATOR: License# _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: _____

CONTRACTOR: License# _____
Name: _____

Well Drilled For: Oil Gas Seismic ; _____ # of Holes Other: _____
Enh Rec Storage Disposal
Infield Pool Ext. Wildcat Other
Well Class: _____
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot Description: _____
_____ - _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(AAA) _____ feet from N / S Line of Section
_____ feet from E / W Line of Section

Is SECTION: Regular Irregular?
(Note: Locate well on the Section Plat on reverse side)

County: _____
Lease Name: _____ Well #: _____

Field Name: _____
Is this a Prorated / Spaced Field? Yes No

Target Formation(s): _____
Nearest Lease or unit boundary line (in footage): _____

Ground Surface Elevation: _____ feet MSL
Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No
Depth to bottom of fresh water: _____

Depth to bottom of usable water: _____
Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: _____
Length of Conductor Pipe (if any): _____

Projected Total Depth: _____
Formation at Total Depth: _____

Water Source for Drilling Operations:
 Well Farm Pond Other: _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

For KCC Use ONLY
API # 15 - _____
Conductor pipe required _____ feet
Minimum surface pipe required _____ feet per ALT. I II
Approved by: _____
This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: _____
Signature of Operator or Agent: _____



IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

Is Section: Regular or Irregular

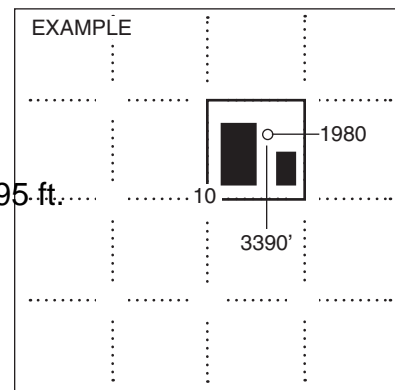
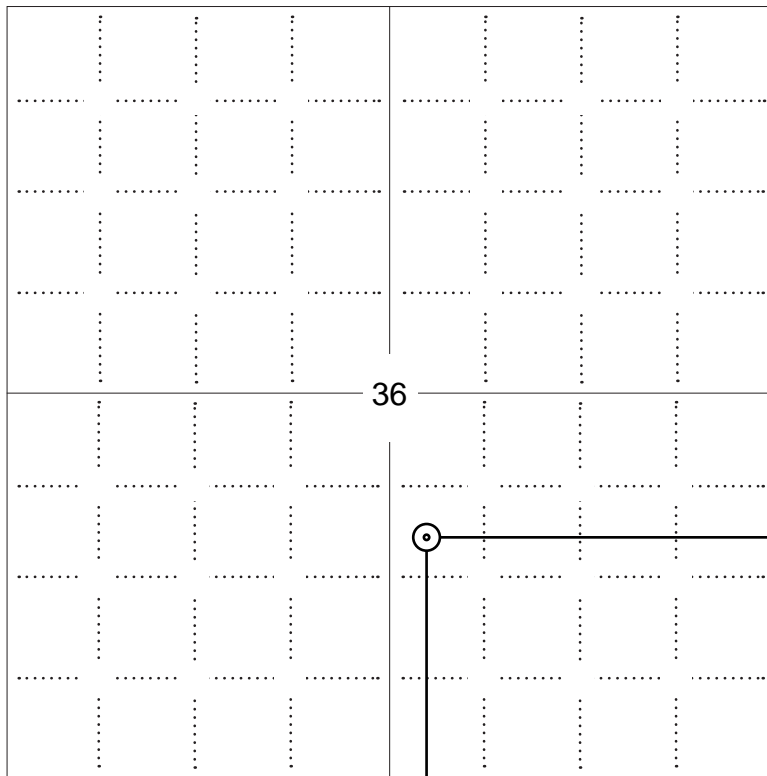
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



NOTE: In all cases locate the spot of the proposed drilling location.

1650 ft.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

**APPLICATION FOR SURFACE PIT***Submit in Duplicate*

Operator Name:		License Number:	
Operator Address:			
Contact Person:		Phone Number:	
Lease Name & Well No.:		Pit Location (QQQQ): ____ - ____ - ____ - ____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) _____ No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY

Steel Pit

RFAC

RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No

ADVANTAGE ELEVATIONS

OIL FIELD SURVEYORS

BOX 8604 - PRATT, KS 67124
(620) 672-6491

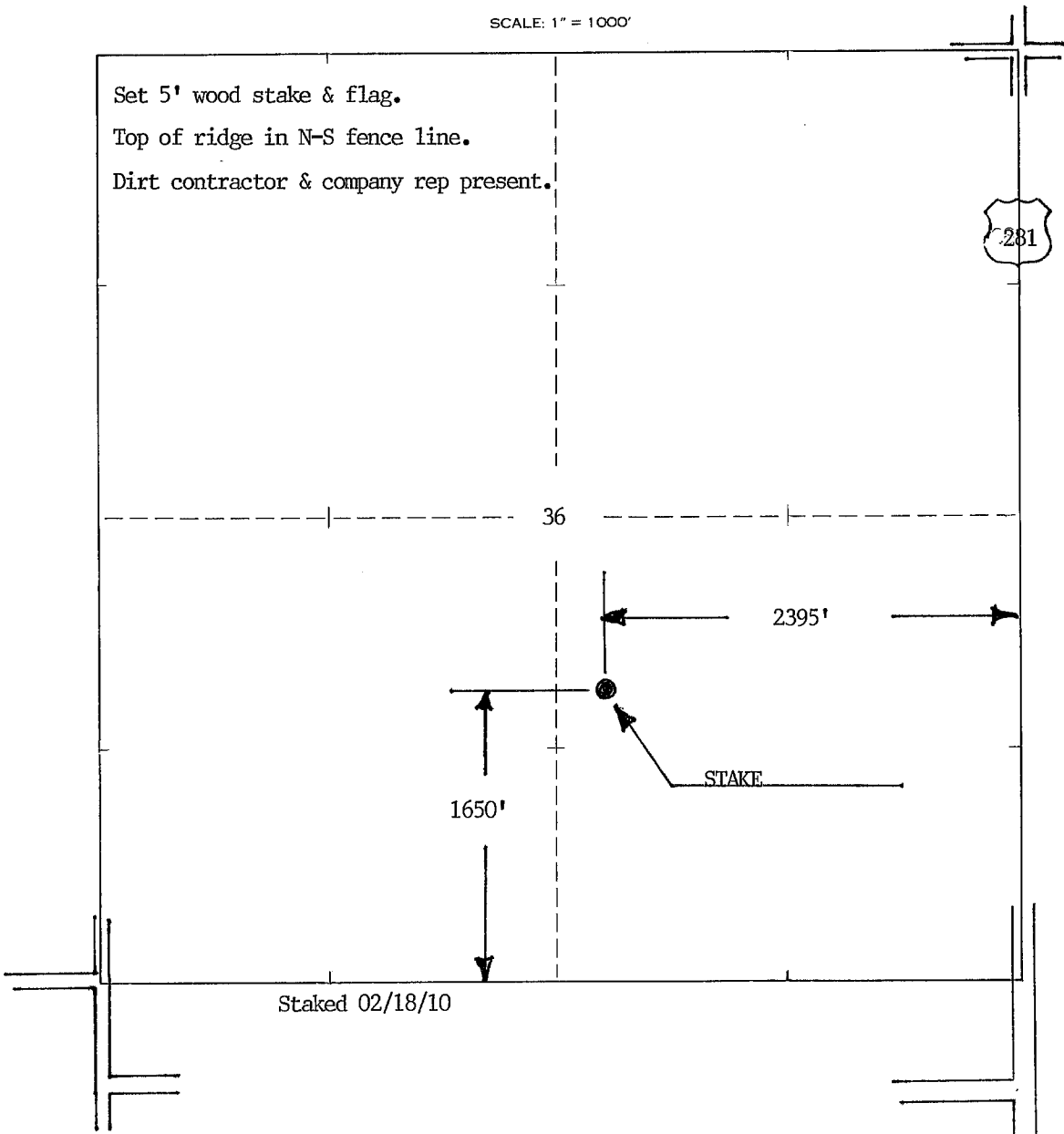
218104
INVOICE NO.

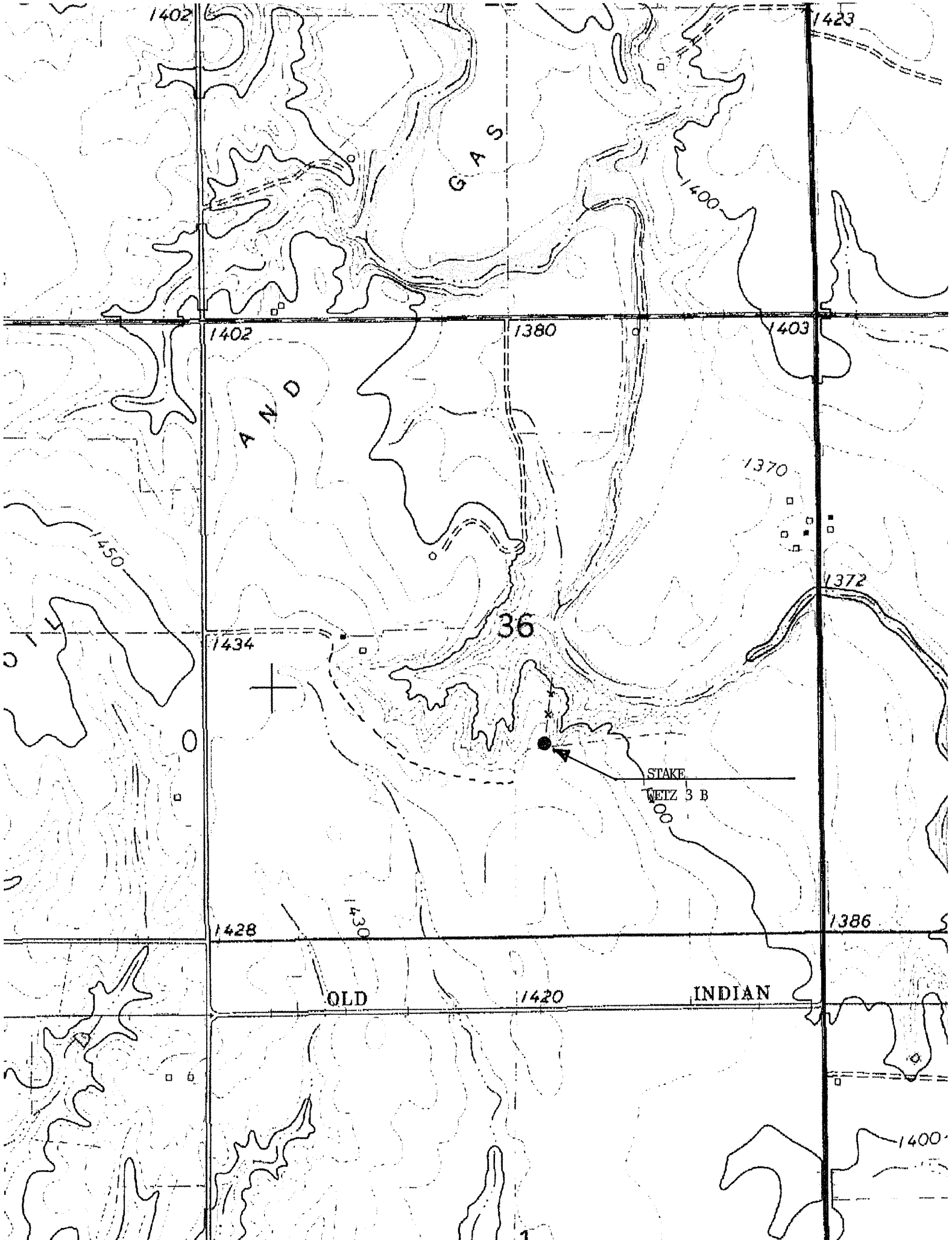
LOTUS OPERATING COMPANY LLC 3 B Wetz
 OPERATOR NO. FARM
Barber 36 34s 12w 1650' FSL & 2395' FEL
 COUNTY S T R LOCATION
 ELEVATION: 1425' gr

LOTUS OPERATING COMPANY LLC
 100 S Main, Ste 420
 Wichita KS 67202

AUTHORIZED BY: Tim Hellman

SCALE: 1" = 1000'





ADVANTAGE ELEVATIONS

P. O. Box 8604
10168 S. Hwy 281
Pratt, KS 67124

Invoice

DATE	INVOICE #
02/22/2010	218104

BILL TO
Lotus Operating Company, LLC 100 South Main Suite 420 Wichita KS 67202

TERMS	PROJECT
Due Upon Receipt	

DESCRIPTION	AMOUNT
Survey drillsite location of Wetz 3 B, Section 36, Township 34 South, Range 12 West, Barber County, KS	450.00
Total	\$450.00

WETZ

KAHRS, NELSON, FANNING, HITE & KELLOGG L.L.P.

ATTORNEYS AT LAW

RICHARD C. HITE
RICHARD L. HONEYMAN
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OF COUNSEL:
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ROBERT HALL

W. A. KAHRS
(1904-1989)

ROBERT H. NELSON
(1904-1977)

DARRELL D. KELLOGG
(1931-1992)

April 14, 1997

DIVISION ORDER TITLE OPINION

(Wetz Lease)

RE: Southwest Quarter of the Northeast Quarter (SW/4 NE/4), Northwest Quarter of the Southeast Quarter (NW/4 SE/4), North Half of the Southwest Quarter (N/2 SW/4), and Southeast Quarter of the Northwest Quarter (SE/4 NW/4), Section Thirty-six (36), Township Thirty-four (34) South, Range Twelve (12) West of the Sixth Principal Meridian, Barber County, Kansas

FOR: **MARTIN OIL PRODUCERS, INC.**
150 N. Main, Suite 1010
Wichita, Kansas 67202

We have examined:

PRIOR OPINIONS:

None.

RECORDS:

Records pertaining to the above-captioned property as they appear from the numerical index maintained by the Register of Deeds of said county, together with the records pertaining to said lands located in the offices of the Clerk of the District Court and the County Treasurer of said county, for the period from inception of the record to April 8, 1997, at 5:00 p.m.

ABSTRACTS:

None.

OTHER INSTRUMENTS:

None.

FEE SIMPLE TITLE:

1. **SURFACE RIGHTS:** Surface rights with respect to the above-captioned property are vested as follows:

PEARL BURCHETT, life estate, with remainder
to her children living at her death ALL

2. **MINERAL RIGHTS:** Mineral rights under the above-captioned property are vested as follows:

PEARL BURCHETT, life estate, with right to
lease for oil and gas and receive all
monies, with remainder to her children
living at her death ALL

3. **OIL AND GAS LEASEHOLD ESTATE:** The oil and gas leasehold estate under the above-captioned property is vested as follows:

C. C. HARTER	1/16 x 7/8 ORRI
HARRY D. CALLICOTTE, a/k/a H. D. Callicotte	.1252444 WI
WORLD HYDROCARBON, INC.	.0278322 WI
JESSE FLYING OUT AND MARY FLYING OUT, joint tenants	.0278321 WI
JAMES W. MARQUARDT	.0069581 WI
DAVID M. HALL	.0208741 WI
PETROLEUM TECHNOLOGIES, INC.	.0556641 WI
EUGENE, INC.	.0139161 WI
DWIGHT L. BLAIR	.0159058 WI
GASHOW CORPORATION	.0556641 WI

HAJIME FUJIWARA	.0556641 WI
ACE K. OVERTON AND CAROLYN OVERTON, joint tenants	.0139161 WI
ECK-90 TRUST	.0278321 WI
JERRY NASH	.0417481 WI
RICHARD L. PUTNAM	.2062190 WI
RAY A. PUTNAM, TRUSTEE OF THE JESSE L. GRAHAM TESTAMENTARY TRUST "A"	.2969172 WI
JAMES SHOEMAKER	.0039062 WI
WILLIAM SHOEMAKER	.0039062 WI

4. **PROCEEDS DISTRIBUTION**: Proceeds of production from the above property should be distributed as follows:

PEARL BURCHETT, for life	.1250000
C. C. HARTER	.0546875
HARRY D. CALLICOTTE, a/k/a H. D. Callicotte	.1027395
WORLD HYDROCARBON, INC.	.0228311
JESSE FLYING OUT AND MARY FLYING OUT, joint tenants	.0228311
JAMES W. MARQUARDT	.0057078
DAVID M. HALL	.0171233
PETROLEUM TECHNOLOGIES, INC.	.0456620
EUGENE, INC.	.0114155
DWIGHT L. BLAIR	.0130477
GASHOW CORPORATION	.0456620
HAJIME FUJIWARA	.0456620
ACE K. OVERTON AND CAROLYN OVERTON joint tenants	.0114154
ECK-90 TRUST	.0228311
JERRY NASH	.0342465
RICHARD L. PUTNAM	.1691640
RAY A. PUTNAM, TRUSTEE OF THE JESSE L. GRAHAM TESTAMENTARY TRUST "A"	.2435649
JAMES SHOEMAKER	.0032043
WILLIAM SHOEMAKER	.0032043

TAXES:

Taxes on the above-captioned property are shown as paid for the first ½ of 1996 and all prior years.

ENCUMBRANCES:

None.

RIGHTS-OF-WAY:

1. Pipeline Right-of-Way to Panhandle Eastern Pipe Line Company, dated December 30, 1969, across the NW/4 and W/2 NE/4 of Section 36, recorded in Book 25 at Page 29.
2. Salt Water Disposal Lease to Oleum, Incorporated, dated September 24, 1970, upon the above-captioned property, recorded in Book 137 at Page 547. This was assigned to Adamana, Ltd., in 1985 by instrument recorded in Book 43 at Page 387.
3. Pipeline Right-of-Way to Panhandle Eastern Pipe Line Company, dated March 16, 1977, across the W/2 and W/2 SE/4 of Section 36, recorded in Book 30 at Page 385.
4. Pipeline Right-of-Way to Kansas Gas Supply Corporation, dated January 17, 1997, across the NW/4 of Section 36, recorded in Book 61 at Page 127.

BASIC OIL AND GAS LEASE(S):

Lease No. 1:

Date:	April 9, 1968
Recorded:	Book 131 at Page 427
Lessors:	Fred Wetz, et ux
Lessee:	Jim L. Filson
Description:	W/2, W/2 E/2, Section 36-T34S-R12W; W/2 of Lot 1, All of Lot 2, Section 1-T35S-R12W, Barber County, Kansas

Term:	Ending April 9, 1973
Royalty:	Oil-1/8th Gas-1/8th
Entireties Clause:	Yes.
Unitization Clause:	640 acres gas.
Lesser Interest Clause:	Yes.
Delay Rentals and Depository:	Yes.
Shut-In Royalty Clause:	Yes.
Affidavit of Production:	Recorded September 11, 1970, in Book 137 at Page 492.
Unitization:	None.

COMMENTS AND REQUIREMENTS:

FIRST: No showing has been made with respect to the rights of the parties in possession of the above-captioned property.

REQUIREMENT: You should determine that no one other than those parties shown at **FEE SIMPLE TITLE** above are in possession of said lands producing oil or gas therefrom.

SECOND: Due to the entireties clause in the lease tabulated above, we have examined title to the royalty/mineral rights in all of the lands described in the lease.

COMMENT: Advisory only.

THIRD: The primary term of the lease above-tabulated has expired and the continuing validity thereof is dependent upon continuous production in paying quantities. We have made no inquiry with regard to continuous production.

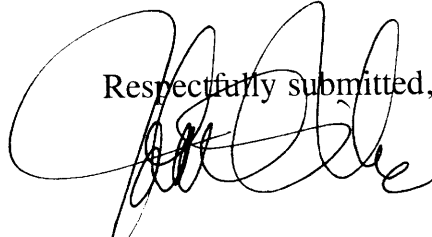
REQUIREMENT: Determine that production of oil or gas has continued from said lease in paying quantities throughout the secondary lease term.

FOURTH: The present record owners of the working interest in the above-tabulated lease received their title from Paul C. Carageannis by assignment dated August 1, 1996. There are (and were on that date) on file in the District Court in Barber County, numerous personal property tax warrants and lawsuits against Mr. Carageannis,

including Ray A. Putnam, Trustee, et al v. Paul C. Carageannis, et al 96-CV-8 and 96-CV-12. We know that you are familiar with these matters and therefore do not attempt to set out all of these matters or discuss the effect thereof upon the present leasehold estate.

COMMENT: Advisory only.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John G. Pike", written over the text "Respectfully submitted,".

John G. Pike

**KAHRS, NELSON, FANNING, HITE &
KELLOGG L.L.P.**

Summary of Changes

Lease Name and Number: Wetz B 3

API/Permit #: 15-007-23511-00-00

Doc ID: 1035703

Correction Number: 1

Approved By: Rick Hestermann 02/19/2010

Field Name	Previous Value	New Value
Elevation Source	Estimated	Surveyed
ElevationPDF	1406 Estimated	1425 Surveyed
Ground Surface Elevation	1406	1425
KCC Only - Date Received	02/16/2010	02/26/2010
KCC Only - Production Comment		DO Title Opinion attached.
KCC Only - Regular Section Quarter Calls	S2 NW SE	W2 SW NW SE
LocationInfoLink	https://solar.kgs.ku.edu/kcc/detail/locationInformation.cfm?section=36&t1980	https://solar.kgs.ku.edu/kcc/detail/locationInformation.cfm?section=36&t2395
Number of Feet East or West From Section Line	1980	2395
Quarter Call 3	S2	SW

Summary of changes for correction 1 continued

Field Name	Previous Value	New Value
Quarter Call 3	S2	SW
Quarter Call 4 - Smallest		W2
Quarter Call 4 - Smallest		W2
Save Link	../kcc/detail/operatorEditDetail.cfm?docID=1035327	../kcc/detail/operatorEditDetail.cfm?docID=1035703

Summary of Attachments

Lease Name and Number: Wetz B 3

API: 15-007-23511-00-00

Doc ID: 1035703

Correction Number: 1

Approved By: Rick Hestermann 02/19/2010

Attachment Name

Wetz B staking plat

Wetz B DO