

Well will not be drilled or Permit Expired Date: _

Signature of Operator or Agent:

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 March 2010 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

Expected Spud Date:	_ Spot Description:
month day year	Sec Twp S. R TE W
OPERATOR: License#	feet from N / S Line of Sectio
Name:	feet from E / W Line of Sectio
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City:	
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	
Name:	Target Formation(s):
W # D # 4 F	Nearest Lease or unit boundary line (in footage):
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation:feet MS
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile: Yes N
Disposal Wildcat Cable	Depth to bottom of fresh water:
Seismic ;# of HolesOther	Depth to bottom of usable water:
Other:	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Projected Total Depth:
Well Name: Original Total Depth:	
Original Completion Date: Original Total Deptil	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	
	If Yes, proposed zone:
	FFIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual	olugging of this well will comply with K.S.A. 55 et. seq.
t is agreed that the following minimum requirements will be met:	
 Notify the appropriate district office <i>prior</i> to spudding of well; 	
2. A copy of the approved notice of intent to drill shall be posted on each	0 0,
 The minimum amount of surface pipe as specified below shall be s through all unconsolidated materials plus a minimum of 20 feet into 	et by circulating cement to the top; in all cases surface pipe shall be set
· · · · · · · · · · · · · · · · · · ·	listrict office on plug length and placement is necessary prior to plugging ;
7. II THE WELL IS ALLY HOLE, ALL AUTEUREUR DELWEER LITE ODERALOT AND THE C	, , , , , , , , , , , , , , , , , , , ,
 If the well is dry hole, an agreement between the operator and the c The appropriate district office will be notified before well is either plu 	gged or production casing is cemented in;
5. The appropriate district office will be notified before well is either plu6. If an ALTERNATE II COMPLETION, production pipe shall be cemer	nted from below any usable water to surface within 120 DAYS of spud date.
 The appropriate district office will be notified before well is either plu If an ALTERNATE II COMPLETION, production pipe shall be cemer Or pursuant to Appendix "B" - Eastern Kansas surface casing order 	nted from below any usable water to surface within 120 DAYS of spud date. #133,891-C, which applies to the KCC District 3 area, alternate II cementing
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Spud date: _

Side Two



For KCC Use ONLY	
API # 15	_

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

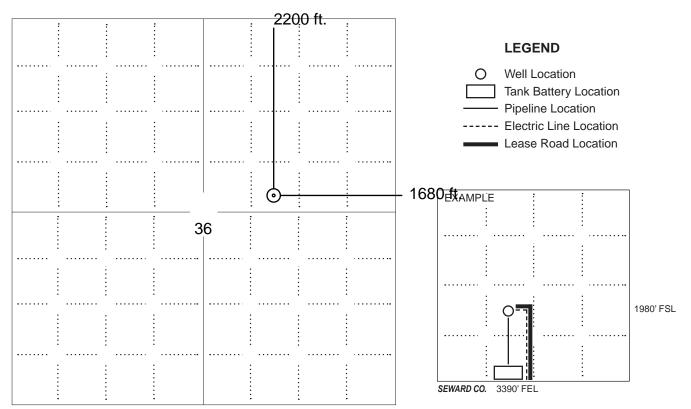
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Section
Well Number:	feet from E / W Line of Section
Field:	Sec Twp S. R
Number of Acres attributable to well:	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. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



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

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).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

42831 Form CDP-1

May 2010

Form must be Typed

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: Emergency Pit Burn Pit Settling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit is: Proposed If Existing, date continued in the continue	Existing nstructed: (bbls)	SecTwpR East WestFeet from North / South Line of SectionFeet from East / West Line of SectionCounty	
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level?			How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fee	et)	Width (feet) N/A: Steel Pits	
Depth fro	om ground level to dee	epest point:	(feet) No Pit	
Distance to nearest water well within one-mile of	of nit-	Donth to challe	west fresh waterfeet.	
Distance to nearest water well within one-fille t	л рп.	Source of inform	nation:	
feet Depth of water well	feet	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:		Type of materia	ver and Haul-Off Pits ONLY: I utilized in drilling/workover: xing pits to be utilized: procedure:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		·	e closed within 365 days of spud date.	
Submitted Electronically				
	KCC	OFFICE USE O	NLY Liner Steel Pit RFAC RFAS	
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No	



Kansas Corporation Commission Oil & Gas Conservation Division

1042831

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application).

Any such form submitted without an accompanying Form KSONA-1 will be returned.

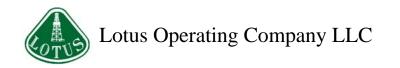
Select the corresponding form being filed: C-1 (Intent) CB-1 (C	Cathodic Protection Borehole Intent)		
OPERATOR: License #	Well Location:		
Name:	SecTwpS. R		
Address 1:			
Address 2:			
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description of		
Contact Person:	the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional		
Address 1:	owner information can be found in the records of the register of deeds for the		
Address 2:			
City: State: Zip:+			
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.		
I certify that, pursuant to the Kansas Surface Owner Notice Adowner(s) of the land upon which the subject well is or will be lo CP-1 that I am filing in connection with this form; 2) if the form b form; and 3) my operator name, address, phone number, fax, are	ct (House Bill 2032), I have provided the following to the surface potential: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. 1) cknowledge that, because I have not provided this information, the		
KCC will be required to send this information to the surface ow	ner(s). To mitigate the additional cost of the KCC performing this fee, payable to the KCC, which is enclosed with this form.		
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1	fee with this form. If the fee is not received with this form, the KSONA-1 will be returned.		
Submitted Electronically			



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

827101 INVOICE NO

LOTUS OPERATING CO., LLC	5 Wetz B
OPERATOR	NQ FARM
Barber 36 34s 12w COUNTY s T R	2200' FNL & 1680' FEI, of Section
COUNTY S T R	LOCATION
LOTUS OPERATING CO., LLC 100 S. Main, Ste 420 Wichita, KS 67202	ELEVATION: 1363' GR
•	^
AUTHORIZED BY Tim Hellman	Flagged Medicine
<u>s</u> cal	aldjesnake Flagged Medicine 1 odge 12 miles
R	attlesnake
Set 5' & 3' wood stakes	
Slight slope plowed field.	157-10050
80' west-northwest to fence and	Road Road
pasture.	22001
_	STAKE
	#5
	36 1680'
	1) #4 28
Hook #5 leadlines u #4 leadl	nto TE
	281
	EXISTING THANK
Staked 8/30/10	
· · · ·	



100 S. MAIN, SUITE 420 WICHITA, KANSAS 67202 (316) 262-1077 FAX (316) 219-1217 thellman@lotusoperating.com

August 31, 2010

Mr. Steve Walz 17353 SE Hwy 281 Kiowa, Kansas 67070

Re: #4 & #5 Wetz B wells

Barber County, KS

Dear Mr. Walz,

Lotus Operating Company LLC currently holds the Oil and Gas Lease on the property located in the E/2 of Section 36, Township 34 South, Range 12 West, Barber County, Kansas.

This letter is to inform you we are preparing to drill the #4 & #5 Wetz B wells around September 3, pending approval from the Kansas Corporation Commission and drilling rig schedules. The #4 proposed drill site is located approximately 2300' from the South Line and 1880' from the East Line and the #5 proposed drill site is located approximately 2200' from the North Line and 1680' from the East Line of section 36-34S-12W, Barber County, Kansas. Enclosed is a plat showing our intentioned drilling locations.

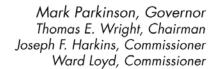
If you have any questions or concerns, please feel free to call our office.

Regards,

Timothy D. Hellman

TH/bh Enclosure

cc: Kansas Corporation Commission





August 31, 2010

Tim Hellman Lotus Operating Company, L.L.C. 100 S MAIN STE 420 WICHITA, KS 67202-3737

Re: Drilling Pit Application Wetz B 5 NE/4 Sec.36-34S-12W Barber County, Kansas

Dear Tim Hellman:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 96 hours after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.