

Confidentiality Requested:

Yes No

KANSAS CORPORATION COMMISSION 1114715
OIL & GAS CONSERVATION DIVISION

Form ACO-1

August 2013

Form must be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____

CONTRACTOR: License # _____

Name: _____

Wellsite Geologist: _____

Purchaser: _____

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
- Gas D&A ENHR SIGW
- OG GSW Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: _____

Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____

- Deepening Re-perf. Conv. to ENHR Conv. to SWD
- Plug Back Conv. to GSW Conv. to Producer
- Commingled Permit #: _____
- Dual Completion Permit #: _____
- SWD Permit #: _____
- ENHR Permit #: _____
- GSW Permit #: _____

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
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API No. 15 - _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ East West

_____ Feet from North / South Line of Section

_____ Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

GPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum: NAD27 NAD83 WGS84

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Producing Formation: _____

Elevation: Ground: _____ Kelly Bushing: _____

Total Vertical Depth: _____ Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: _____ Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite:

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

- Confidentiality Requested
Date: _____
- Confidential Release Date: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: _____ Date: _____

1114715

Operator Name: _____ Lease Name: _____ Well #: _____

Sec. _____ Twp. _____ S. R. _____ East West County: _____

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input type="checkbox"/> No			
Electric Log Run	<input type="checkbox"/> Yes <input type="checkbox"/> No			
List All E. Logs Run:				

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Did you perform a hydraulic fracturing treatment on this well? Yes No *(If No, skip questions 2 and 3)*

Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? Yes No *(If No, skip question 3)*

Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? Yes No *(If No, fill out Page Three of the ACO-1)*

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____ Liner Run: Yes No

Date of First, Resumed Production, SWD or ENHR: _____ Producing Method: Flowing Pumping Gas Lift Other *(Explain)* _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Lotus Operating Company, L.L.C.
Well Name	Sterling 2A
Doc ID	1114715

All Electric Logs Run

Dual Induction
Neutron Density w/PE
Sonic
Micro

Form	ACO1 - Well Completion
Operator	Lotus Operating Company, L.L.C.
Well Name	Sterling 2A
Doc ID	1114715

Tops

Name	Top	Datum
Heebner	3896	-2401
KC	4400	-2905
BKC	4656	-3161
Miss	4839	-3344
Viola	5346	-3851
Simp Sh	5446	-3951
Arb	NR	
LTD	5606	-4111

RECEIVED

INVOICE

PO Box 93999
Southlake, TX 76092

JAN 03 2013

Invoice Number: 134152

Invoice Date: Dec 19, 2012

Voice: (817) 546-7282

Page: 1

Fax: (817) 246-3361



Bill To:

Lotus Operating Co., LLC
Lotus Exploration Co.
100 S. Main, STE 420
Wichita, KS 67202

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Lotus	Sterling #2 A	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Medicine Lodge	Dec 19, 2012	1/18/13

Quantity	Item	Description	Unit Price	Amount
310.00	MAT	Class A Common	17.90	5,549.00
90.00	MAT	Pozmix	9.35	841.50
4.00	MAT	Gel	23.40	93.60
12.00	MAT	Chloride	64.00	768.00
422.68	SER	Cubic Feet	2.48	1,048.25
669.33	SER	Ton Mileage	2.60	1,740.26
1.00	SER	Surface	1,512.25	1,512.25
25.00	SER	Pump Truck Mileage	7.70	192.50
25.00	SER	Light Vehicle Mileage	4.40	110.00
1.00	CEMENTER	Ron Gilley		
1.00	EQUIP OPER	Scott Priddy		
1.00	EQUIP OPER	Justin Bower		

GL# 9208
DESC. current serv
CSG # 2
WELL # Stea

ENTERED
DEC 31 2012

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 2,371.08

ONLY IF PAID ON OR BEFORE

Jan 13, 2013

Subtotal	11,855.36
Sales Tax	529.40
Total Invoice Amount	12,384.76
Payment/Credit Applied	
TOTAL	12,384.76

2371.08
10,013.68



RECEIVED
JAN 07 2013

INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 134267

Invoice Date: Dec 29, 2012

Voice: (817) 546-7282

Page: 1

Fax: (817) 246-3361



Bill To:
 Lotus Operating Co., LLC
 Lotus Exploration Co.
 100 S. Main, STE 420
 Wichita, KS 67202

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Lotus	Sterling #2 A	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-02	Medicine Lodge	Dec 29, 2012	1/28/13

Quantity	Item	Description	Unit Price	Amount
30.00	MAT	Class A Common	17.90	537.00
20.00	MAT	Pozmix	9.35	187.00
2.00	MAT	Gel	23.40	46.80
175.00	MAT	ASC GL# 9308	20.90	3,657.50
875.00	MAT	Kol Seal DESC. cement pad	0.98	857.50
82.00	MAT	FL-160 100 # 2	18.90	1,549.80
44.00	MAT	Flo Seal	2.97	130.68
280.00	SER	Cubic Feet	2.48	694.40
241.00	SER	Ton Mileage Stera	2.60	626.60
1.00	SER	Production Casing	3,099.25	3,099.25
20.00	SER	Pump Truck Mileage	7.70	154.00
1.00	SER	Manifold Head Rental	275.00	275.00
20.00	SER	Light Vehicle Mileage	4.40	88.00
1.00	EQP	5.5 Guide Shoe	280.80	280.80
1.00	EQP	5.5 AFU Insert	334.62	334.62
1.00	EQP	5.5 Basket	394.29	394.29
6.00	EQP	5.5 Centralizer	57.33	343.98
1.00	EQP	5.5 Rubber Plug	85.41	85.41
1.00	CEMENTER	Darin Franklin		
1.00	EQUIP OPER	Scott Priddy		
1.00	EQUIP OPER	Justin Bower		

ENTERED
JAN 08 2013

ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF

\$2,668.52

ONLY IF PAID ON OR BEFORE

Jan 23, 2013

Subtotal	13,342.63
Sales Tax	613.59
Total Invoice Amount	13,956.22
Payment/Credit Applied	
TOTAL	13,956.22

2668.52
11,287.70

ALLIED OIL & GAS SERVICES, LLC 059678

Federal Tax I.D.# 20-5975804

REMIT TO P.O. BOX 93999
SOUTHLAKE, TEXAS 76092

SERVICE POINT:
Medicine Lodge, KS

DATE <u>12-29-2012</u>	SEC <u>36</u>	TWP <u>34s</u>	RANGE <u>13w</u>	CALLED OUT	ON LOCATION	JOB START <u>1:30 pm</u>	JOB FINISH <u>5:30 pm</u>
LEASE <u>Stearns</u>	WELL # <u>2A</u>	LOCATION <u>Hargraves, 1/4 section 1 west, north into</u>			COUNTY <u>Barber</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Duce #21
 TYPE OF JOB Production
 HOLE SIZE 7 7/8 T.D. 560'
 CASING SIZE 5 1/2 14# DEPTH 5051'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT 20'
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT 12 1/2 bbls of freshwater

EQUIPMENT

PUMP TRUCK	CEMENTER	<u>Darin F.</u>	<u>1</u>
# <u>558-555</u>	HELPER	<u>Scott P.</u>	<u>2</u>
BULK TRUCK			
# <u>356-290</u>	DRIVER	<u>Justin B.</u>	<u>2</u>
BULK TRUCK			
#	DRIVER		

OWNER Lotus Operating

CEMENT
 AMOUNT ORDERED 50 SK 60:40:40 G601
175 SK CIGES A ASC + 6# K60501
4 5/8 FL160 + 1/4 # 410501

COMMON	<u>Class A</u>	<u>30</u>	@	<u>17.90</u>	<u>537.00</u>
POZMIX		<u>20</u>	@	<u>9.35</u>	<u>187.00</u>
GEL		<u>2</u>	@	<u>23.40</u>	<u>46.80</u>
CHLORIDE			@		
ASC	<u>175 SK</u>		@	<u>20.90</u>	<u>3657.50</u>
	<u>Kolsacal</u>	<u>875 #</u>	@	<u>.98</u>	<u>857.50</u>
	<u>FL-160</u>	<u>82 #</u>	@	<u>18.90</u>	<u>1554.20</u>
	<u>Flosecal</u>	<u>44 #</u>	@	<u>2.97</u>	<u>130.68</u>
			@		
			@		
			@		
			@		
HANDLING	<u>280</u>		@	<u>2.48</u>	<u>694.40</u>
MILEAGE	<u>12.05/20/2.60</u>		@		<u>626.60</u>

REMARKS:
Pipe on bottom & break circulation
mix Boss Cement for Ret hole, mix Boss
Cement for mouse hole, mix 175 SK of cement
Shut down, ush pump lines, Reisse plug
34 grt displacement, lift pressure at
8.5 bbls, slow rate to 3 bpm at 11.0 bbls
bump plug at 12 1/2 bbls 1100-1500 psi
float & hold

CHARGE TO: Lotus Operating
 STREET _____
 CITY _____ STATE _____ ZIP _____

To: Allied Oil & Gas Services, LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME X Jim Crombie
 SIGNATURE X Jim Crombie

TOTAL 8296.68
 241
 SERVICE 8287.28

DEPTH OF JOB	<u>5051</u>	
PUMP TRUCK CHARGE	<u>3099.25</u>	
EXTRA FOOTAGE	@	
MILEAGE	<u>20</u>	@ <u>7.70</u> <u>154.00</u>
MANIFOLD	<u>Head Rental</u>	@ <u>275.00</u>
	<u>LV</u>	@ <u>440</u> <u>88.00</u>

PLUG & FLOAT EQUIPMENT

<u>5 1/2</u>		
1-Guide Shoe	@	<u>280.80</u>
1-APU Insert	@	<u>374.62</u>
1-Basket	@	<u>374.29</u>
6-Centersizers	@	<u>57.33</u> <u>243.98</u>
1-Rubber plug	@	<u>85.41</u>

TOTAL 1439.10

SALES TAX (If Any) 613.97
 TOTAL CHARGES 13,347.03 13,342.63
 DISCOUNT 20% 2669.47 IF PAID IN 30 DAYS
(Net) 10,677.62 2668.52 disc
10,679.10 net

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



Phone: 316-337-6200
Fax: 316-337-6211
<http://kcc.ks.gov/>

Mark Sievers, Chairman
Thomas E. Wright, Commissioner
Shari Feist Albrecht, Commissioner

Sam Brownback, Governor

March 16, 2013

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

Re: ACO1
API 15-007-23973-00-00
Sterling 2A
NW/4 Sec.36-34S-13W
Barber County, Kansas

Dear Production Department:

We are herewith requesting that the Well Completion Form ACO-1 and attached information for the subject well be held confidential for a period of two years.

Should you have any questions or need additional information regarding subject well, please contact our office.

Respectfully,
Tim Hellman