

FIRST CORRECTED

RECEIVED Corrected Section KANSAS CORPORATION COMMISSION

For KCC Use: Effective Date: 8-7-04 District #: 2 SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

JUL 30 2004

Form C-1 December 2002 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well WICHITA, KS

Expected Spud Date: 8/28/2004

OPERATOR: License# 31980 Name: Lotus Operating Company, LLC Address: 100 S. Main, Ste. 420, Wichita, KS 67202 City/State/Zip: Wichita, KS 67202 Contact Person: Tim Hellman Phone: 316-262-1077

CONTRACTOR: License# 33323 Name: Petromark Drilling LLC

- Well Drilled For: Oil, Gas, OWWO, Seismic, Other Well Class: Ent Rec, Storage, Disposal, Other 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? If Yes, true vertical depth: Bottom Hole Location: KCC DKT #: JUL 27 2004

SURFACE PIPE SETTING DEPTH CHANGED TO NEW LOCATION CONSERVATION DIVISION WICHITA, KS

Spot C SE SE * Sec. 1 Twp. 19 S. R. 9 Line of Section 660' feet from N / S 660' feet from E / W

Lease Name: Colberg (19-9) Well #: 1-1 Field Name: Wildcat

Is this a Prorated / Spaced Field? Target Formation(s): Lansing / Arbuckle Nearest Lease or unit boundary: 660' Ground Surface Elevation: 1731 Est. feet MSL

Water well within one-quarter mile: Public water supply well within one mile: Depth to bottom of fresh water: 150' Depth to bottom of usable water: 220'

Surface Pipe by Alternate: 1 Length of Surface Pipe Planned to be set: 240 Min Length of Conductor Pipe required: NONE Projected Total Depth: 3500' Formation at Total Depth: Arbuckle

Water Source for Drilling Operations: Well Farm Pond Other Other DWR Permit #:

Will Cores be taken? If Yes, proposed zone: WAS: 200' min surf IS: 240' min surface pipe

AFFIDAVIT

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

- 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; 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.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief. Date: 7/22/2004 Signature of Operator or Agent: Title: Managing Member

For KCC Use ONLY API # 159-22428-00-00 Conductor pipe required NONE feet Minimum surface pipe required 200 240 feet per Alt. Approved by: RSP 7.27.04 / RSP 7.30.04 This authorization expires: 1-27-05 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; Obtain written approval before disposing or injecting salt water.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

MB 1/1 9

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: Lotus Operating Company, LLC
 Lease: Colberg (19-9)
 Well Number: 1-1
 Field: Wildcat

Number of Acres attributable to well: 10
 QTR / QTR / QTR of acreage: C - SE - SE

Location of Well: County: Rice
660' _____ feet from N / S Line of Section
660' _____ feet from E / W Line of Section
 Sec. 1 Twp. 19 S. R. 9 East West

Is Section: Regular or Irregular

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

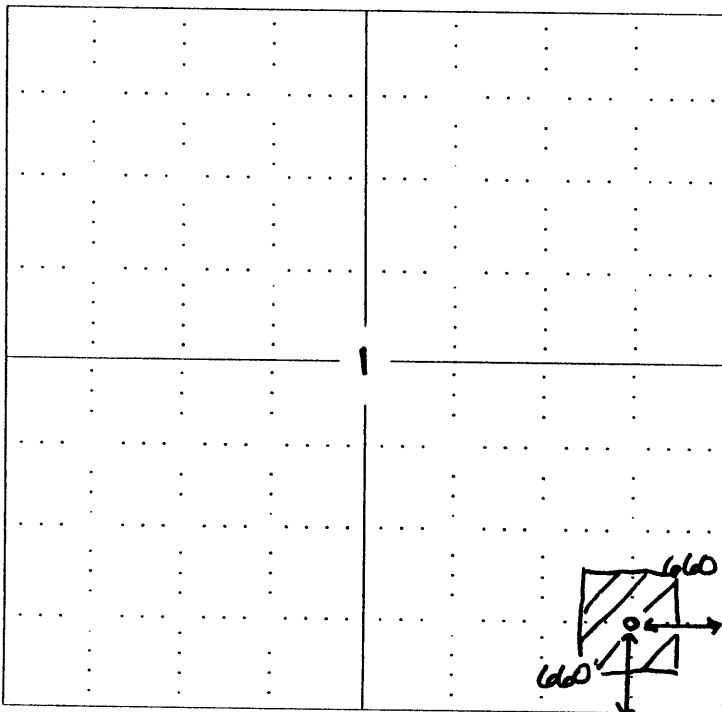
Section corner used: NE NW SE SW

CORRECTED

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.)



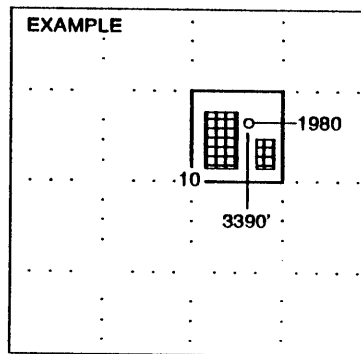
NOTE: In all cases locate the spot of the proposed drilling location.

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 30 2004

WAS: SEC. 36
IS: SEC. 1

CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).