

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

Operator: License # 31980
Name: Lotus Operating Company LLC
Address: 100 S Main, Ste 420
City/State/Zip: Wichita Kansas 67202
Purchaser: ONEOK
Operator Contact Person: Tim Hellman
Phone: (316) 262-1077
Contractor: Name: Petromark Drilling LLC
License: 33323
Wellsite Geologist: Chris Peters

KCC
JAN 05 2005
CONFIDENTIAL

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abandonment
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, 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./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

9/16/04 9/22/04 11/04/04
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 159-22431-20-00
County: Rice
C SW NE Sec. 3 Twp. 20 S. R. 9 East West
1980 feet from S / N (circle one) Line of Section
1980 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Markle (20-9) Well #: 1-3
Field Name: Wildcat

Producing Formation: Indian Cave
Elevation: Ground: 1668' Kelly Bushing: 1674'
Total Depth: 3450' Plug Back Total Depth: 3390'
Amount of Surface Pipe Set and Cemented at 234 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 2448 Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan ALT I within 35-07
(Data must be collected from the Reserve Pit)
Chloride content 64,000 ppm Fluid volume 150 bbls
Dewatering method used vacuum truck
Location of fluid disposal if hauled offsite:
Operator Name: Bob's Oil Service, Inc.
Lease Name: Sieker SWD License No.: 32408
Quarter NW Sec. 35 Twp. 19 S. R. 11 East West
County: Barton Docket No.: D-26,497

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: [Signature]
Title: Managing Member Date: 1/05/05
Subscribed and sworn to before me this 5 day of JANUARY,
20 05.
Notary Public: Virginia Lee Smith
Date Commission Expires: August 25, 2008

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received

UIC Distribution
VIRGINIA LEE SMITH
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 8/25/08

Operator Name: Lotus Operating Company LLC Lease Name: Markle (20-9) Well #: 1-3
 Sec. 3 Twp. 20 S. R. 9 East West County: Rice

INSTRUCTIONS: Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log <input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name: <u>CONFIDENTIAL</u> Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Howard 2326 -652
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Stark Shale 3073 -1399
List All E. Logs Run:		Arbuckle 3226 -1552
		RTD 3450 -1776

RECEIVED
 KANSAS CORPORATION COMMISSION
JAN 05 2005
 CONSERVATION DIVISION
 WICHITA, KS

Dual Induction
 Compensated Neutron/Density
 Microlog, Sonic Log

CASING RECORD <input checked="" 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
Surface	12-1/4"	8-5/8"	23 lbs	234'	70/30 poz mix	235 sax	3% cc; 2% gel
Production	7-7/8"	5-1/2"	15.5 lbs	3425'	60/40 poz mix	180 sax	7-1/2% salt

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	2448'	60/40 poz mix	280	7-1/2% salt

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	3227-3230' ; 3196-3200'	Acid 500 gal - no shows	
4	CIBP 3008' ; 2948-2954'	Acid 2000 gal - no shows	
4	2134-2146' ; 2116-2124'	Acid 1000 , frac w/ 230,000 SCF N2	
4	1973-1983'		

TUBING RECORD	Size 2-3/8"	Set At 2139'	Packer At None	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. Shut in Gas Well	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify) _____

ALLIED CEMENTING CO., INC.

PO. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX ID# 48-0727860

 * I N V O I C E *

Invoice Number: 094613

Invoice Date: 09/29/04

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

CC
 JAN 03 2005
 ACO-1
 CONFIDENTIAL

Cust I.D.: Lotus
 P.O. Number...: Markle 1-3
 P.O. Date.....: 09/29/04
 Due Date.: 10/29/04
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	168.00	SKS	7.8500	1318.80	T
Pozmix	112.00	SKS	4.1000	459.20	T
Gel	10.00	SKS	11.0000	110.00	T
Handling	290.00	SKS	1.3500	391.50	E
Mileage (26)	26.00	MILE	14.5000	377.00	E
290 sks @\$.05 per sk per mi					
Prod. Casing	1.00	JOB	700.0000	700.00	E

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 335.65
 ONLY if paid within 30 days from Invoice Date

Subtotal: 3356.50
 Tax.....: 118.94
 Payments: 0.00
 Total....: 3475.44

ALLIED CEMENTING CO., INC. 20107

Federal Tax I.D.# 48-0727860

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

JAN 08 2005

SERVICE POINT:

Grant Bend

TOP STAGE

CONFIDENTIAL

DATE <i>9-22-04</i>	SEC. <i>3</i>	TWP. <i>20</i>	RANGE <i>9</i>	CALLED OUT <i>130</i>	ON LOCATION <i>275</i>	JOB START	JOB FINISH <i>3:00 PM</i>
LEASE <i>month</i>	WELL # <i>1-3</i>	LOCATION <i>3 mi. west of Lyons</i>	COUNTY <i>RICE</i>	STATE <i>KS</i>			

OLD OR NEW (Circle one) *original*

CONTRACTOR *Retramark Dnlg*

TYPE OF JOB *5 1/2" Production CSG*

HOLE SIZE *7 7/8* T.D. *345'*

CASING SIZE *5 1/2 15 1/2"* DEPTH

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL *STAGE COLLAR* DEPTH *2370'*

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT

OWNER *Lotus Operating*

CEMENT

AMOUNT ORDERED *280 sKs 60/40 PG*

490 64

COMMON	<i>168 mt</i>	@	<i>7.85</i>	<i>1318.80</i>
POZMIX	<i>112 mt</i>	@	<i>4.10</i>	<i>459.20</i>
GEL	<i>10 mt</i>	@	<i>11.00</i>	<i>110.00</i>
CHLORIDE		@		
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<i>290 mt</i>	@	<i>1.35</i>	<i>391.50</i>
MILEAGE	<i>290 mt OS</i>	<i>26</i>		<i>377.00</i>
TOTAL				<i>2656.50</i>

EQUIPMENT

PUMP TRUCK CEMENTER *Jack, mnd*

181 HELPER *Dimit*

BULK TRUCK

342 DRIVER *Stev*

BULK TRUCK

344 DRIVER *Lennie*

REMARKS:

OPEN TOOL

MIXED 280mt 60/40 POZ 4% GEL + DISPLACE COLLAR FROM TO COLLAR + CLOSED WELD CEMENT

SERVICE

DEPTH OF JOB *2370'*

PUMP TRUCK CHARGE *700.00*

EXTRA FOOTAGE @

MILEAGE *26* @ *4.00* *NC*

MANIFOLD @

TOTAL *700.00*

CHARGE TO: *Lotus Operating*

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

@

@

@

@

@

TOTAL

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX

TOTAL CHARGE

DISCOUNT IF PAID IN 30 DAYS

SIGNATURE *Art Schroyer*

PRINTED NAME

ALLIED CEMENTING CO., INC.

PO. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX ID# 48-0727860

 * I N V O I C E *

Invoice Number: 094562

Invoice Date: 09/23/04

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

ACO - 1

Cust I.D.....: Lotus
 P.O. Number...: Markle 1-3
 P.O. Date.....: 09/23/04

Due Date.: 10/23/04
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TY
Common	180.00	SKS	7.8500	1413.00	T
Pozmix	55.00	SKS	4.1000	225.50	T
Gel	3.00	SKS	11.0000	33.00	T
Chloride	7.00	SKS	33.0000	231.00	T
Handling	245.00	SKS	1.3500	330.75	E
Mileage (26)	26.00	MILE	12.2500	318.50	E
245 sks @ \$.05 per sk per mi					
Surface	1.00	JOB	570.0000	570.00	E
Mileage pmp trk	26.00	MILE	4.0000	104.00	E
Top Wood	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 IF Account CURRENT take Discount of \$ *328.07*
 ONLY if paid within 30 days from Invoice Date

Subtotal:	3280.75
Tax.....:	123.33
Payments:	0.00
Total....:	3404.08

71730
Surface Pipe
Mark 1-06

ALLIED CEMENTING CO., INC. 20102

Federal Tax I.D.# 48-0727860

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: Grant Bend

DATE <u>9-17-04</u>	SEC. <u>3</u>	TWP. <u>20</u>	RANGE <u>9</u>	CALLED OUT <u>12:30 AM</u>	ON LOCATION <u>10:00 AM</u>	JOB START	JOB FINISH <u>06:30 AM</u>
LEASE <u>markle</u>	WELL # <u>1-3</u>	LOCATION <u>3 west of Lyons</u>			COUNTY <u>Rice</u>	STATE <u>Ks</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one) <u>wildcat</u>							

CONTRACTOR Richard K Dalg Rigi

TYPE OF JOB 8 5/8 Surface

HOLE SIZE 12 1/4 T.D. 235

CASING SIZE 8 5/8 DEPTH 234

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT 13 1/2 bbl

OWNER Lotus Operating JAN 05 2005
CONFIDENTIAL

CEMENT

AMOUNT ORDERED 185 70/30 Poz
370 cc 2 7/8 Gal 0
50 SKs 100% 3 1/2 CC

COMMON	<u>180 ml</u>	@	<u>7.85</u>	<u>1413.00</u>
POZMIX	<u>55 ml</u>	@	<u>4.10</u>	<u>225.50</u>
GEL	<u>3 ml</u>	@	<u>11.00</u>	<u>33.00</u>
CHLORIDE	<u>7 ml</u>	@	<u>33.00</u>	<u>231.00</u>
ASC		@		

EQUIPMENT

PUMP TRUCK CEMENTER

120 HELPER mark + Bud

BULK TRUCK

341 DRIVER Stu

BULK TRUCK

DRIVER

HANDLING	<u>245 ml</u>	@	<u>1.35</u>	<u>330.75</u>
MILEAGE	<u>245 ml OS</u>		<u>26</u>	<u>318.50</u>

TOTAL 2951.75

REMARKS:

Hook up Hand Break Circ w Rigg pump -
mix 185 SKs 70/30 Poz
Disp w 13 1/2 bbl MeoO
cut Did not circ - approx 20 ft
down 1" + 50 SKs more (185 SKs)
mix 50 SKs Fill Ann -
workup Job complete

SERVICE

DEPTH OF JOB	<u>234</u>			
PUMP TRUCK CHARGE				<u>570.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>26</u>	@	<u>4.00</u>	<u>104.00</u>
MANIFOLD		@		

TOTAL 674.00

CHARGE TO: Lotus Operating

STREET 1005 main St. #20

CITY Wichita STATE Ks ZIP 67202

PLUG & FLOAT EQUIPMENT

<u>1 Top 8 5/8" Wood</u>	@	<u>55</u>	<u>55.00</u>
	@		
	@		
	@		

TOTAL 55.00

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Edward A Miller

Edward A Miller
PRINTED NAME

ALLIED CEMENTING CO., INC.

PO BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX ID# 48-0727860

 * I N V O I C E *

Invoice Number: 094612

Invoice Date: 09/29/04

ACO-1

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

JAN 05 2005

CONFIDENTIAL

Cust I.D.....: Lotus
 P.O. Number...: Markie 1-3
 P.O. Date.....: 09/29/04

Due Date.: 10/29/04
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	120.00	SKS	7.8500	942.00	T
Pozmix	80.00	SKS	4.1000	328.00	T
Salt	21.00	SKS	7.5000	157.50	T
Handling	221.00	SKS	1.3500	298.35	E
Mileage (26)	26.00	MILE	11.0500	287.30	E
221 sks @ \$.05 per sk per mi					
Pump Truck	1.00	JOB	1180.0000	1180.00	E
Mileage pmp trk	26.00	MILE	4.0000	104.00	E
Stage Tool	1.00	EACH	3300.0000	3300.00	T
Insert	1.00	EACH	235.0000	235.00	T
Guide Shoe	1.00	EACH	150.0000	150.00	T
Centralizers	20.00	EACH	50.0000	1000.00	T
Baskets	1.00	EACH	128.0000	128.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ *811.01*
 ONLY if paid within 30 days from Invoice Date

Subtotal: 8110.15
 Tax.....: 393.16
 Payments: 0.00
 Total....: 8503.31

ALLIED CEMENTING CO., INC. 20106

Federal Tax I.D.# 48-0727860

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: Crack Bend

Bottom Stage

DATE <u>9-22-04</u>	SEC <u>3</u>	TWP. <u>20</u>	RANGE <u>9</u>	CALLED OUT <u>1300m</u>	ON LOCATION <u>2150m</u>	JOB START	JOB FINISH <u>10:00/AM</u>
LEASE <u>monkc</u>	WELL # <u>1-3</u>	LOCATION <u>3 mi of Lyons</u>			COUNTY <u>Rico</u>	STATE <u>K.S</u>	
OLD OR NEW (Circle one) <u>NEW</u>							

CONTRACTOR John Monck Donly

TYPE OF JOB _____

HOLE SIZE <u>7 7/8</u>	T.D. <u>3451</u>
CASING SIZE <u>5 1/2 15 1/2"</u>	DEPTH <u>3450</u>
TUBING SIZE _____	DEPTH _____
DRILL PIPE _____	DEPTH _____
TOOL <u>Stage</u>	DEPTH <u>2370</u>
PRES. MAX _____	MINIMUM _____
MEAS. LINE _____	SHOE JOINT _____
CEMENT LEFT IN CSG. _____	
PERFS. _____	
DISPLACEMENT _____	

OWNER Lotus operating

CEMENT AMOUNT ORDERED 200SKS 60/40 Pp 7 1/2 705 net

COMMON <u>120 net</u>	@ <u>7.85</u>	<u>942.00</u>
POZMIX <u>80 net</u>	@ <u>4.10</u>	<u>328.00</u>
GEL _____	@ _____	_____
CHLORIDE _____	@ _____	_____
ASC _____	@ _____	_____
<u>Sect 21 net</u>	@ <u>7.50</u>	<u>157.50</u>
JAN 05 2005	@ _____	_____
CONFIDENTIAL	@ _____	_____
HANDLING <u>22 net</u>	@ <u>1.35</u>	<u>297.00</u>
MILEAGE <u>22 net OS 26</u>	@ _____	<u>281.30</u>
TOTAL		<u>2013.15</u>

EQUIPMENT

PUMP TRUCK # <u>181</u>	CEMENTER <u>Jack Monck</u>
BULK TRUCK # <u>342</u>	HELPER <u>Wimmit</u>
BULK TRUCK # <u>344</u>	DRIVER <u>Steve</u>
	DRIVER <u>Lennie</u>

REMARKS:

St float equip 7004m
Brnd Circ wdg pump
mix 200SKS 60/40 Pp 7 1/2 net
Disp - 25 bbl 120 80 bbl mud - Insert did
not hold wait 3hr - Cement holding
wait on water pump for water

SERVICE

DEPTH OF JOB <u>3450'</u>	
PUMP TRUCK CHARGE	<u>1180.00</u>
EXTRA FOOTAGE _____	@ _____
MILEAGE <u>26</u>	@ <u>4.00</u> <u>104.00</u>
MANIFOLD _____	@ _____
TOTAL <u>1284.00</u>	

CHARGE TO: Lotus operating

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>5/8"</u>	<u>1-2 stage Tool</u>	<u>330.00</u>	<u>330.00</u>
	<u>1-5/8" Auto Insert</u>	@ <u>235.00</u>	<u>235.00</u>
	<u>1-5/8" Guide shoe</u>	@ <u>150.00</u>	<u>150.00</u>
	<u>1-5/8" Centralizers</u>	@ <u>50.00</u>	<u>100.00</u>
	<u>1-5/8" cent Basket</u>	@ <u>128.00</u>	<u>128.00</u>
TOTAL		<u>4813.00</u>	

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Art Liphant

PRINTED NAME _____